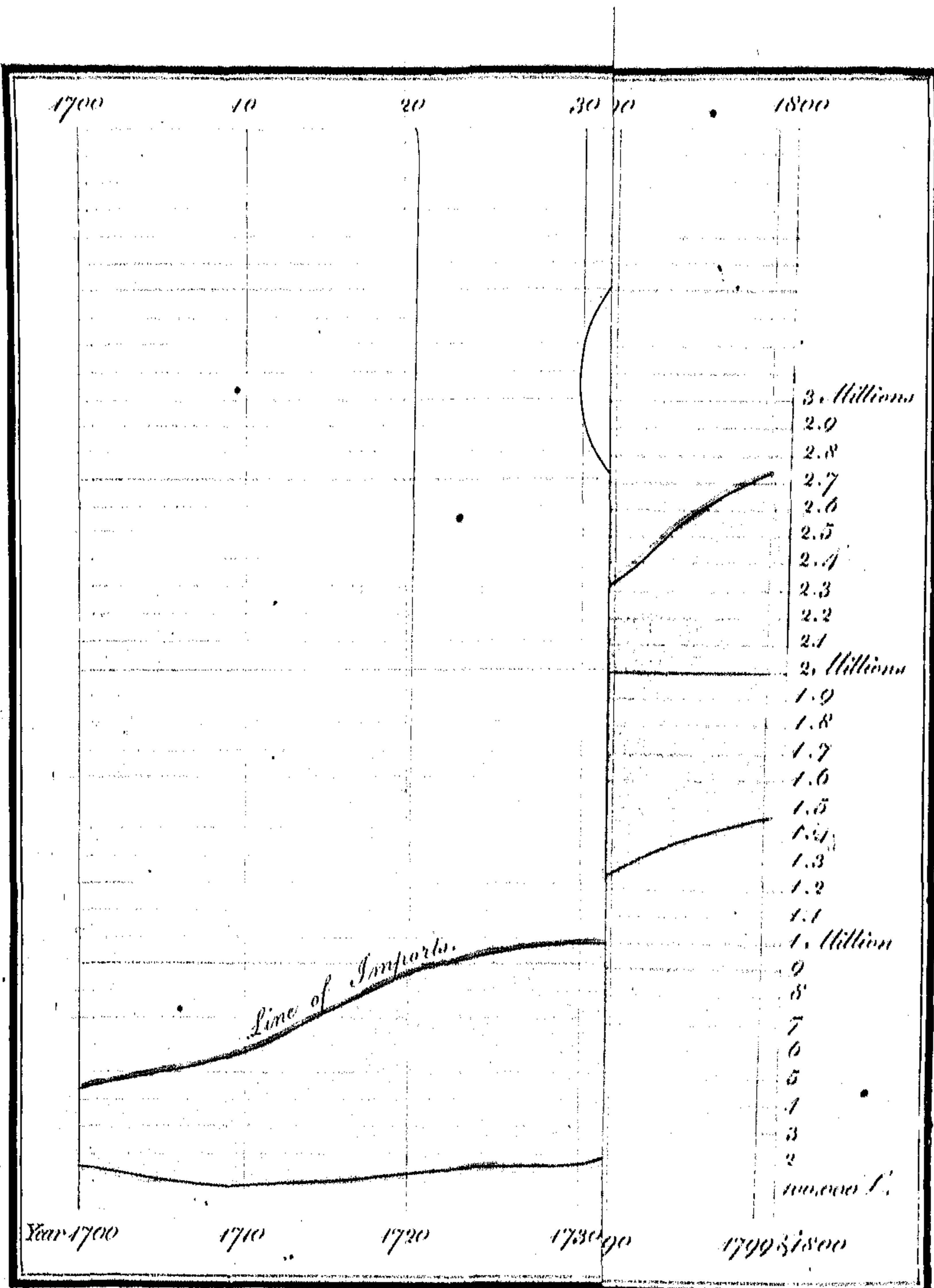


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Printed by J. Sturges, 15, Pall Mall.



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Shilling & Sixpence

College of Fort William
STRICTURES

ON THE

ASIATIC ESTABLISHMENTS
OF
GREAT BRITAIN

WITH A VIEW TO
AN ENQUIRY INTO THE TRUE INTERESTS OF THE
EAST INDIA COMPANY.

COMPREHENDING

THE RISE AND PROGRESS OF OUR SETTLEMENTS IN INDIA, THE
CLAIM OF INDIVIDUAL TRADERS TO A PARTICIPATION OF
OUR EASTERN COMMERCE, WITH AN ELUCIDATION OF
THE MEANS BY WHICH THOSE CLAIMS MAY BE
MADE COMPATIBLE WITH NATIONAL
PROSPERITY, AND THE WELFARE
OF THE COMPANY

WITH A CHART, &c. &c.

BY WILLIAM PLAYFAIR,

AUTHOR OF THE POLITICAL AND COMMERCIAL ATLAS, &c. &c.

London :

PRINTED FOR THE AUTHOR,
BY BUNNEY AND GOLD, SHOE-LANE;

AND SOLD BY
CARPENTER AND CO. OLD BOND-STREET; AND MURRAY AND HIGHLEY, FLEET-STREET.

1799.



TO THE
LORDS AND COMMONS,
MEMBERS OF THE BRITISH PARLIAMENT.

MY LORDS AND GENTLEMEN,

THE affairs of India are become so important as to demand nearly the same prudence and energy as those of Great Britain itself. And it is for the Parliament of this Country to take those measures, and concur in giving that power, which is necessary for increasing as much as possible the advantages to be derived from Indian Territory and Indian Commerce, and at the same time for averting the dangers attendant on their possession.

To you, my Lords and Gentlemen, the Members of the British Parliament, I therefore dedicate this Work; for it is easy to see, that discussions of the utmost consequence relating to India will soon be submitted to your judgment, and you cannot

be too early prepared to meet their discussion. Without possessing the local or minute knowledge of the subject, which men do who have passed the greatest part of their lives in the service of the Company, I still have an advantage in another way. I am not actuated by those prejudices and predilections which every man possesses, more or less, when he treats on a subject in which he and his friends have an interested concern. With but few exceptions, the Writers on India Affairs are of that description. Every thing they produce is tinctured with the feelings or wishes of the man. Treating the subject on the Great and General Scale of Political and Commercial Principles, it occurred to me, might be of some use in the present conjuncture ; and if my information or knowledge is not equal to that of some Writers on the same subject, at least none ever wrote on it that had less interest to mislead others, or be himself misled.

You will observe in the course of this work, my Lords and Gentlemen, that the most lucrative commerce in the world, and that which has enriched all the nations that ever possessed it, as far back as History traces the actions of men, produces little advantage either to the Nation or the Company ; and it will also be seen why it is so, and how it may be remedied. But the

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DEDICATION.

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most important point of all, is, that superiority which foreigners, trading to India, have over the subjects of his Majesty ; a superiority which, if not discontinued by wise and salutary regulations, may banish both Trade and Capital to a large amount from this Country.

On these important objects I beg leave to submit my ideas ; and, as being of great national consequence, to solicit your attention to them.

I have the honour to be, with great respect,

MY LORDS AND GENTLEMEN,

Your most obedient and devoted servant

WILLIAM PLAYFAIR.

LONDON,
November 1799.

PREFACE.

THE following Strictures on India Affairs are written on a different plan from any of those numerous publications, which have yet appeared on that important subject.

India Affairs have attained such importance, that prudent management, and well directed efforts, in those who direct them are become more than ever essential to the prosperity of this Country: And it is a matter of regret, that the attention of those who immediately superintend them, instead of being turned to the general good, seems sometimes to be influenced by a narrower policy than ought to be looked for in the Managers of so great a Company.

In the correspondence with Mr. Dundas, relative and prior to the renewal of the Charter, it may be seen how tenacious the Directors were of their rights, merely because they were rights; and that the aim, on their part, was to keep all that could be retained, a policy sometimes not wise, and oftentimes not just.

The affairs of India are in themselves greatly complicated, the eternal details into which those who have treated of them continually fall, confuse the mind, and prevent any conclusion from being satisfactorily drawn. Let us instance the debates on the Shipping interest, where speeches and pamphlets almost innumerable have
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been employed, not to clear up, but to confuse a topick in itself extremely simple; and not so much the object of complex investigation as of plain common sense. Observe again the long debates upon personal questions, and the little attention to general interest, and forming such arrangements, as will ameliorate the state of the Company, which has been the prey of individuals in India ever since it acquired territorial possessions. An evil arising from the want of uniform plans and prudent financial arrangements.

A Commerce the most productive in the world; a Commerce which has enriched whole nations in all ages, only divides £.60,000 a-year more than common interest for the amount of stock!! and this too with the aid of a territorial revenue greater than that of England in the time of George the First, and equal to that of the Emperor of all the Russias at the present day; yet budget after budget is produced, without any one ever enquiring how all this comes about. Millions upon millions, and crores upon crores, appear and vanish like Chinese shadows, leaving but a remembrance behind; while the nation at large, receiving little or no advantage, is at a very heavy expence to maintain a Naval force in the Indian Ocean.

The true criterion of advantage in Commerce, is found in its paying for its own maintenance and protection. Now our trade to India, at present in the hands of the Company, by no means answers that description; for if to the expences which the Company annually disburse, are added those paid by the nation for our Naval Establish-

Establishment in that quarter of the globe, we shall find a loss instead of a profit.

It is with a view of accomplishing a total change of system, by establishing one more liberal, with views more extended, and above all, more calculated to reconcile other nations to our great commercial prosperity, that these STRICTURES are submitted to the public. The discussion leads to objects of the greatest magnitude; so great as not to be treated simply as an affair of commercial loss or gain, but as a whole, forming a great political engine, involving the dearest interests of this country.

To the Board of Control, we must chiefly look for protection against political danger; and it affords the highest gratification to observe that the Members of that Board, have hitherto acted with firmness, and at the same time with moderation; but we conceive, nevertheless, that the time is not very distant, when it will be necessary to establish a more direct and immediate control than through the present circuitous course.

To the Court of Directors is confided commercial arrangement, it being allowed they possess a superior share of mercantile information; they will therefore be relied on, to harmonize and unite the advantages of general commerce, with the spirit of their exclusive Charter. The system, in regard to general and free trade, under the restrictions which the Governor General of India has judiciously introduced, cannot fail of producing very great advantages to the nation at
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large; but, without injuring the interests of the Company, a little further extension of Lord Mornington's wise and salutary measure, flowing spontaneously from the body his Lordship represents, would on the one hand, on equitable and reciprocal principles, conciliate the FREE TRADERS to India, while, on the other, it would prolong the existence of the East India Company, as a chartered body.

It is necessary in this place to observe, that several great questions must soon be agitated—of these the Free Trade is one—The annual sum to be paid to Government is another; besides those which a general peace must necessarily occasion. It is our wish to anticipate these great questions, and to point out the best means of discussing and resolving them; And as the following work comes from the pen of one not in any manner personally concerned in India Affairs, it is hoped that it will be found candid; and so far superior in claim to those which have been published by others, necessarily biased through their individual views and interests. Should the Author have incautiously fallen into a mistake, he trusts he may meet with the indulgence of the Reader, as he has throughout studiously governed himself by what he deemed the best information.

He farther begs leave to state, that another object in the following sheets is to unite the prosperity of this Country with the views and interests of commercial men; to promote the public Revenue; to extend Navigation,

vigation, by drawing to British ports, in British bottoms, the surplus trade of India; and to prevent, as much as possible, with due regard to sound policy and justice, the interference of Foreign Nations in our Eastern Commerce. For while there remains British capital to be employed, it ought to be employed at home, and in that commerce which is most likely to enrich the State as well as the Individual. It is also to be observed, that instead of so great proportion of this valuable branch of trade being, from exclusive Restrictions, diverted into other channels, it is for the interest of the East India Company, as it is beside the wish of Government, that the whole of the produce and manufactures of our Asiatic Dependencies should, as the grand emporium, centre in Great Britain. Impressed with these sentiments, the Writer does not hesitate to submit his Work to the "PROPRIETORS OF EAST-INDIA STOCK," to COMMERCIAL MEN OF EVERY DESCRIPTION, and to ALL THOSE who are in any shape concerned in EAST INDIA AFFAIRS, or who may wish to ATTAIN A KNOWLEDGE of them.

The Writer trusts that he has brought into discussion sufficient matter to prove the necessity of some alteration in the system of our commerce to India; and though he does not presume to dictate, he nevertheless flatters himself, that some of his suggestions may be found useful; and such as may, on the one hand, afford additional security and confidence to the Proprietors of East India Stock, while it will on the other, with some modification, satisfy the claims of our countrymen, who, with

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large capitals, are eager to reap the gleanings of Eastern Commerce *. Proper regulations, sanctioned by the Company, would destroy the ILLUSIVE term ILLICIT TRADE, prevent its baneful effects, and, on the whole, produce a source of additional revenue and power to this nation, already possessing, in a great measure, the trade and confidence of the WHOLE WORLD.

* Those capitals must necessarily be employed in trade; and, if rejected here, will find their way to more congenial climes, where they will be cheerfully received; but their operation under the auspices of the Company would be productive of much real benefit. It is impossible that any well-wisher to Great Britain can see with indifference the transfer of a large capital from this country to a foreign people. On capital depends trade; and trade determines our national property and wealth, and is the only means by which we can maintain the superiority we have acquired in the political scale of Europe.—Were it even to be the case that the use of British capital was rejected at home, and consequently driven to foreign shores, for protection and employment; we should soon have the mortification to behold the industry, enterprise, and zeal of British merchants, reluctantly impoverishing their own country, to enrich, by the means of our Indian trade, the ports of Lisbon, Copenhagen, Gottenburgh, and Ostend!!! while the banks of the Thames would exhibit the sad reverse of departed Commerce, and call to recollection the destructive effects of IMPOLITIC RESTRICTIONS, of ILL-JUDGED PREFERENCES, and RUINOUS MONOPOLY.

EXPLANATION OF THE CHART.

THE annexed CHART of the Exports and Imports to and from India during the present Century is done by a mode which I invented in the year 1794.

Previous to the observations I have to make on the progressive increase, it is necessary that I should say something of this mode of representing accounts, for the use of those who may not be acquainted with it.

Geography, so easy a study with the help of maps, would be nearly impracticable without their aid; and even Chronology has derived great advantage from the application of lines to represent the ages that are past, and those conspicuous persons who flourished or lived in them.

The application of lines to matters of finance is in its principle equally accurate, as in those other studies; and, though more recent and less known, will be found in time to be equally useful. It has met with an unequivocal and unsuspected approbation from some of the first men of the present age, in different countries; and a few minutes employed in understanding its nature, will prevent all future trouble to those who wish to make it useful to themselves.

In the progress of commerce and finance, it is the proportional increase or decrease that is the principal object; and as the eye is the best judge of proportion, to it we appeal.

The horizontal lines passing from left to right, represent the SUMS OF MONEY as marked at the end of each; and the perpendicular lines the YEARS marked at the bottom of each of them; in all Charts of this nature, the waving lines that go across, represent the progress of the exports or imports in question.

Thus

Thus we see, that in the beginning of the century our exports amounted to £.1.10,000, our imports to £.440,000. In 1750 the exports had risen to £.700,000, and the imports to more than £.900,000. In 1780 the increase is greater still, for the imports are at £.1,500,500, while the exports remain under £.900,000.

The great increase since then has principally been occasioned by the Commutation Tax, which brought into England, by the regular channel, what used to come fraudulently and circuitously.

The waving lines shew the amount of the commerce at any given time ; and they rise and fall for the same reason that a pile of twenty guineas is higher than a pile of ten.

Whatever information is capable of being communicated in this way may indeed be given in a printed table in figures ; but this chart, though it does not give it with so much accuracy, gives it in a more useful manner for general reasoning, because, in the first place, the *exact* amount never being known, the minute apparent accuracy of a printed table is useless ; and, in the second place, it is the comparative amount and the general progress that is of value to be known, which these sort of Charts give in a most impressive and durable manner, by giving form and shape to what, in the common numerical statements, are a number of detached parts, requiring a considerable effort of memory to retain.

In looking at this Chart, we cannot boast much of the immensity of our Indian Commerce : but we may be pleased with the progress it is making, particularly since the Commutation Act ; and we need not doubt but that, if the Company will be at the trouble to adopt the method proposed in this Work, of giving short bills, and on good terms, to those who have realized fortunes in India, they will find money enough by that means to pay for all the investments they have to make in addition to the goods sent from this country.

The part that is stained blue between the two lines is the balance against this country ; that is to say, difference of sales and purchases, which is to be paid

paid in money, and though it is true that nothing has been so irregular, and varied so prodigiously, as the quantity of bullion remitted to India, yet, allowance being made for private trade and private property, we shall find that, upon the whole, it has a pretty regular proportion to the balance here expelled to be against us.

It would be a very important thing to diminish this balance, and might easily be done, if the free traders were allowed to carry on their commerce on the footing we propose. The manners and taste of the inhabitants, and their wants, should be studied and enquired into, that we might supply them with things such as they would like to purchase. Hitherto the Company has sent out articles at random, or by regular custom and routine, and the captains and other officers have taken out such goods as they individually could get credit for, or thought they could sell. Sometimes they have done so to great advantage, and sometimes at considerable loss, but never to a considerable amount: in short, *the trade has never been done justice to, particularly in the export line.* We have explained how a great company never can itself do it this justice; and therefore it is from mercantile men, trading for their own account, that we can alone expect this great reform in our trade to India, by which hitherto a very considerable portion of the precious metals are carried off every year, and that portion which goes to China never returns.

It would be worthy the Legislature of this Country to attend to the extension of the sale of British manufactures in those countries that are too distant for private adventurers to explore. A collection of the wearing apparel, the cutlery, toys, trinkets, and particularly specimens or patterns shewing their taste in printed stuffs, should be made, so that the ingenuity of our manufacturers might know on what to exert itself. This might be done at little expence, and, there is reason to think, to great advantage, taking the whole tract of country from Bufforah, and the borders of the Persian Gulph, going as far north as the Caspian Sea, and to the confines of China on the east; for though the inhabitants of those countries are poor, and their labour paid for at a very low price, yet the activity and ingenuity of our manufacturers would enable us, in many cases, to supply them cheaper and better than they can provide themselves. As we have found it to be so in every quarter

of the world, so far as we have had such articles as the inhabitants wanted, we may, without presumption, suppose it would be the case here, and we may without risk try the experiment. In an establishment such as is here pointed out, it would be necessary to have a particular attention to *the price paid in the country*; for though we can manufacture almost any thing to a pattern, we cannot always do it at the low price necessary to obtain a preference.

INTRODUCTION.

AT all times the productions of the eastern and middle parts of Asia have been sought after with avidity by the other inhabitants of the known world ; so that, from the remotest antiquity, the most extensive and advantageous commerce that ever existed, has been that which was carried on from those to other countries.

This still continues to be the case, and probably ever will continue so ; for neither Europe, Africa, America, nor even the northern or westerly parts of Asia itself, produce those spices, aromatics, precious stones, and rich silks, which come from what we term India.

Whatever can gratify the eye, the taste, or the smell, is found in peculiar excellence, and in some instances, exclusively in that portion of the world ; it is therefore not to be wondered at, if mankind have eagerly sought after those productions, the value of which was dis-

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covered previous even to that of the precious metals ; nor is it any matter of surprize, that what contributed so much to the enjoyment of all, should enrich a great number.

In examining the commerce with India, we are, therefore, about to examine a mercantile connection, that is in itself stable and permanent as the productions of the earth, and the propensities of its inhabitants : but permanent and durable in its nature as this branch of commerce may be said to be, the channels through which it has been conveyed have by no means been durable ; on the contrary, no branch of trade has undergone such changes in its manner and form ; neither has any one, in an equal degree, enriched and afterwards impoverished the countries through which it has for a time flowed.

The Arabians had, at a very early period, the industry and sagacity to monopolize this profitable traffic ; and by an artifice, which the ignorance of the times and their geographical situation rendered easy, and which the end fairly justified ; they persuaded their western neighbours that those commodities, which they only had the merit of carrying and vending, were the produce of their own country. Thus did the monopoly of that commerce produce immense riches,
and

and raise the great and magnificent city of Palmyra, and for a number of ages concentrate the chief wealth of the world in that country which lies between the Persian Gulph and the Mediterranean Sea*. Tyre, Sydon, and even Babylon, were great from the same cause. The wealth of the present day is not equal, nay is much inferior, to that which the commerce between the eastern and western world formerly produced; therefore we have no occasion to fear from its present extent that it will diminish or fall away: but while we see that the trade, unalterable in itself, has changed its course; and left those cities desolate, and those fields barren and bare it once enriched, have we not cause for serious investigation?

When such a spacious mirror's set before us
We needs must see ourselves.

It is true that physical rather than moral causes, have altered the ancient channels of trade with India, but other causes are to be taken into the account.

Alexandria, built on the borders of the Mediterranean, and not far from the Red Sea, first diverted commerce from

* It is curious enough to consider, that the same monopoly elevated the elegant and grand city of Palmyra, that has in our own days erected one of the finest pieces of architecture amongst ourselves, we mean the India House.

its ancient channel*. The banks of the Euphrates as well as of the Nile were long depopulated---Syria, as well as Egypt had become a desert, and their ruined palaces the habitations of scorpions and beasts of prey, for ages before those great discoveries in navigation, which brought the trade with India into its present channel. It is true, indeed, that those discoveries will prevent the possibility of the Indian trade returning to its former course; but it is not equally true, that they wrested it from its first masters.

The enervation that wealth creates in its possessors, and the envy, energy, and rivalry it excites in those who wish its participation, united; form the great causes of the vicissitudes to which commercial countries are liable.

In this case, of countries enriched by commerce, prosperity and adversity approach very near to each other, and the chain of connection is never so fast rivetted as when it is the least visible.

The commerce of India has never yet been engrossed by any nation on which it did not bring danger; it was

* There can be no doubt that Alexander the Great knew that Arabia itself did not produce the spices, &c. and his expedition was directed against India for the purpose of getting possession of the source of such immense riches.

that which levelled the walls of Tyre, and brought the virtuous, generous, and accomplished Zenobia a captive to Rome.

It would not be difficult to cite more recent disasters (those will appear in another place) which owed their origin, nearly, to the same cause; but while we say so, there is no reason for thinking that moderation, justice, and prudence, may not avert similar misfortunes, from falling upon those who now enjoy similar advantages.

The express purpose of this Work is to render permanent what has hitherto been fugitive; which cannot be done but by inducing those who have the execution, the conduct, and the controul over the Asiatic affairs, to act with wisdom and moderation, at the same time reforming what is wrong; and it is evident this is the most proper time to begin.

The wish of individuals to participate in the Indian Trade has already caused much sensation, and opened a question, the decision of which may involve the dearest interests—nay, the safety of, this Country.—The time will now soon come, when that restless, miserable, and deluded people, who at present disturb the world, must grant mankind some repose: or, if that time be yet far off,

off, the ruin of civilized society is near at hand. Whenever it shall then happen that this war ceases, then nations will seek for the participation of that trade for which individuals now seek. The possession of the Cape of Good Hope must naturally come into question. But by whom, and in what manner it is to be occupied, as well as for what purpose, it is highly important to examine; so that the object is not merely confined to what can be done by the Company and the Board of Controul, but by the British King and Parliament; as experience of times for many ages past, and without one exception, shews that, unless the nation that possesses the trade to India, is wise, just, and provident, she must suffer a reverse; for even the lustre of the diamond of Golconda is not more unalterable than the avarice and ambition which make one wish to grasp, and another to participate in so lucrative a branch of commerce as that to India.

The field here taken is in itself wide, and the subject is important; but it is not our intention to follow up every argument or idea to the full extent. Those to whom the suggestions are made, are extremely capable of doing that themselves and indeed it is to them that it belongs to do so. It would be wrong to encumber a general view both of commercial and political interests

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with details and minute examination, that would interrupt the unity of it, and which would, in many cases, be a repetition of what has been already said in other words, and upon other occasions.

One observation it is however material to make as early as possible (though it will be treated of in its proper place), relative to an idea which has gone abroad that our territorial revenue and possessions in India are much more important than that commerce itself.—We shall endeavour to prove that they are neither so important nor so durable, and that money ought not always to be reckoned numerically: it is sometimes of greater importance to examine the origin and the source of wealth than its quantity. By this, we do not mean to speak of the morality of the source, though that ought not to be overlooked; but we regard the origin and source as connected with the political interests of this nation, on the great scale of its general security and prosperity.

We have seen both Spain and Portugal, rich, powerful, and brilliant, during a certain period, by their possession of the commerce of the Indies. When Spain had just attained its zenith, a small and poor, but hardy and industrious, set of men founded the Republic of Holland. They wrested their lands from the sea, and
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their liberties from that powerful Monarch Charles V. and then they set seriously to participate in the trade of the East. Having ceased to be subjects, they became rivals; established a company to trade to India, and acquired valuable possessions; and in modern times no people have been so successful in that branch of trade; but *, like those who had gone before, they became enervated, fatiated with prosperity, and for these last fifty years have been on the decline, till their inward dissensions rendered them an easy prey to a nation under whose auspices every thing that is valuable disappears or is destroyed. Could the present degraded state of the United Provinces continue, the sea would reconquer that country, and put an eternal period to its commerce; but even as it is, no prophetic powers are wanted to see that the brilliant commercial days of the Batavian Republic are gone for ever!

England is now in that proud situation which other nations have formerly been in, with this additional circumstance, that it is elevated far above any thing of which history gives an example, both as to its power at sea and commercial prosperity; but the more it is elevated above its rank amongst nations, the more is it necessary

* The Dutch East India Company previous to the present Revolution is said to have made dividends equal to more than twenty-six times its capital!

to guard against a reverse, for this well known reason, that the prosperity which is the greatest, is of itself the most evanescent and perishable.

The flourishing situation of England as a Commercial Country has long excited the envy of its neighbours ; and the glorious successes by sea, added to the uninterrupted and unexampled career of commercial prosperity during a ruinous and expensive war, were sufficient to increase that envy, without any other cause, when a most unfortunate species of denunciation of what has been termed illicit trade came from one of the Directors, implicating some very respectable houses, and shewing that *his* views were to prevent all competition with the Company, by preventing, as much as possible, subjects of foreign nations from conveying their property from India to Europe.

It is true that this was not the action of the Court of Directors, neither was it of the Board of Controul, or of the President of that Board ; but still, as the public act of the Chairman of the Company, it has produced a very unfortunate effect.

Individual merchants see that the breath of a Director may ruin their credit, that the greatest and most

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irretrievable injury may be done to them under an official form, and all commercial houses in this and other countries, bear every connection between them and English subjects in the trade to India, treated as illicit or unlawful, at the same time that they see a general spirit of monopoly, which cannot fail to be to them both injurious and humiliating.

The Court of Directors have acted with more liberality; and that able minister, who is at the head of the Board of Controul, has gone still farther, and disputes the propriety of the term illicit, as well as the wisdom of monopoly; but still the impresson left is deep, and must be removed by the actions and conduct of the Company. How this is to be done, it will be our business to consider; but previous to that, it is both proper and necessary that we should examine the origin of the East India Company, and trace the means by which it has risen to such an unexampled height of eminence and power.—We shall begin with contemplating what it has been; then view what it now is; and last of all consider the measures necessary to secure to it that degree of prosperity which, as British subjects, we wish it to enjoy.

C H A P. I.

NATURE AND INTENTION OF CHARTERED COMPANIES, WHETHER
POSSESSED OF MONOPOLIES OR NOT, CONTAINING A VIEW OF
THE GENERAL PRINCIPLES RELATIVE TO CHARTERED COM-
PANIES AND EXCLUSIVE PRIVILEGES—HOW FAR THE INDIA
COMPANY JUSTIFIES THAT PRIVILEGE, &c.

AN Idea on the subject of Charters, which is very inaccurate, has prevailed in England ever since it became a commercial country, *viz.* That every *Chartered Company* had an *exclusive privilege*. This mistake originated in the practice that prevailed till the reign of James the First, when our monarchs gave to their favorites, Patents or Charters for certain purposes, frequently without considering the good of the public, and in general by way of favor, or with the view to participate in the gain.

By a statute made in the fifth of James the First, this power in the King was limited with regard to Patents, and though much negligence is visible in our written law, yet the practice of the Courts has established equitable principles, and the law of Patents is now well understood and administered. Charters and Patents were originally nearly the same thing, but the general law of the land, and the superior information of the times, have now rendered them quite separate.

Patents and Charters originally depending equally on the will of the sovereign, who gave a privilege to an individual, or certain number of

individuals, for the purpose of carrying on a particular manufacture, trade, or branch of commerce, they could not readily be distinguished from each other; but as soon as the Patent was limited to things entirely new, and gave an exclusive right, they became quite distinct.

All Patents are similar in their nature to each other, and founded upon the novelty of some invention; and they, in every case, convey an exclusive privilege. All Chartered Companies are supposed to originate in public good, and may either be absolutely exclusive, or not, or more or less exclusive.

The Charter of the Bank of England, so far as it relates to issuing notes, is not in any degree exclusive; for any individual may do the same thing: but, on the other hand, in an indirect manner, it operates as exclusive; because no individual has fortune sufficient to establish a Bank in competition with it in point of credit, and any considerable number cannot unite together but at such risks as would counterbalance the probable advantages.

Formerly there were two Chartered Companies to India, and there are now two Chartered Banks in Scotland, which are sufficient examples to prove that a Charter, is *not* by its *nature* exclusive.

There are, however, cases where a Charter, without containing any exclusive clause, is in effect and reality such in operation. Charters given to raise so large a capital as renders all competition impossible, are exclusive in reality, though not in their written letter.

Again, Charters such as are given to the British Plate-Glass Company, the Carron Company, and others for inferior objects, are no way exclusive, either in their nature or their operation; they only enable a few individuals to join their stock to carry on business without personal
responsi-

responsibility; but the advantages are so far from being great, that few instances have occurred where such Chartered Companies have been able to sustain a competition with individuals.

The Charter of the India Company, as it is now held, differs from all others. It contains many exclusive clauses, but is not in itself exclusive; not, that those clauses originate from design to secure advantages to the Company, but for the sake of revenue (See the Extract of the Charter in the Appendix,) and prevention of smuggling; added to this, the greatness of the capital required, could the Company sufficiently extend it, would give it in fact very nearly a complete monopoly*.

One condition attached to every complete monopoly is, that those to whom it is given or granted, shall be bound to supply the Country—as far as the commodities they deal in can be procured. Otherwise, an exclusive privilege, which is intended to benefit a Country at large, might deprive it entirely of the advantages meant to be obtained.

Charters that give no exclusive right, on the other hand, exact no particular performance†; because their ceasing will not deprive the public of any thing wanted, others having an equal right to supply it. Now, as we have seen that the India Company is in reality possessed of a complete monopoly, it is necessary to consider, what the Public which it supplies, and the Government which granted the Charter, have a right to expect.

* The monopoly is not the less complete on account of contraband trade, because that is not a thing of right, but of accident, arising from the nature of things; that is, from the impossibility of entirely preventing it.

† To make use of a familiar example—The managers of Drury-Lane and Covent-Garden would forfeit their patents did they not open these theatres; but the British Plate-Glass Company may give over making glass without losing their rights.

In the first place, there cannot be a doubt that the Public has a right to a full supply of such articles as the Company brings over; and this at a fair and reasonable price.

It is a fact no ways to be disputed, that the Company deals very fairly with the Public in bringing over a sufficient quantity; the criterion or proof of which is, that the sales at the India House are equal to the demand, and that the prices have never risen and fallen so much as in other foreign articles*, which fluctuate daily, to the great inconvenience and loss of some, and advantage of others.

As for the reasonableness of the prices in general, it is evident from this, that the India Company's goods are as cheap as they were thirty years ago, although every European article of expenditure has greatly increased in price; such as seamen's wages, provisions, and the materials for ship building.—Again, if we compare the price of goods brought from India with that of productions brought from American Islands, the comparison is extremely advantageous to the Company; for while tea has not advanced in price, sugar has nearly doubled: and, singular as it may appear, the continual fluctuations of the prices of sugar, not from year to year on account of good or bad crops, but from day to day on account of interested speculations, operate in proving that there is less advantage taken by a privileged trade than at first sight might be apprehended.

It is true that this may be viewed two ways, for it may be supposed that the East India articles were too dear thirty years ago, and that their remaining stationary in price is not a proof of their being now cheap. But of this we shall treat in another part of the Work.

* Exception must be made of mother-of-pearl, allum, and a few other articles, which have risen on account of the irregular demand, or private speculation; but not from irregular or inadequate supply, far less from any speculation of the Company.

It would be wrong to quit this subject without observing, that the general sect of economists, and even Mr. Smith, (one of the greatest men that ever wrote on Commercial Affairs,) have carried the principle of leaving trade to itself too far in some cases, for they have not made sufficient allowance for the combinations of those who buy and sell, but particularly of those who sell; combinations, which, in CORN, IRON, SUGAR, and other great articles of consumption, are carried on to an extent that would be impracticable for a single Company in any free State *.—It is in Trade as in Governments: in free trade, equals will combine to do things, and will submit mutually to acts that they would not bear for any length of time from the greatest Chartered Company that ever existed.

In respect then to what the Public at large have to expect of the India Company, it does not appear that they have any complaints to make; they feel none of the inconveniences that a monopoly is supposed to occasion; and however inadequate the capital of the Company may be to its trade, the burthen does not fall on the consumers of the produce of India, which as a commercial concern, is all that the public at large has to expect.

* Were it not for the wise regulation that opens the ports for importation, and shuts them to exportation, when corn rises too high, or falls too low, it is not possible to say what might be the consequence. Yet M. Neckar says, in his *Legislation des Grains*, that this law has depopulated and impoverished England. It is however fortunate for England that this law has not depopulated it so much as some of those he introduced into France. Neckar was one of those philosophers whom the great King of Prussia denounced—"Their plan," said Frederick, (See *Reponse au System de la Nature*) "is to convert France into a REPUBLIC; all men are to be equal, and a mathematician is to regulate the government; all its operations are to be worked by FLUCTUATIONS, and neither priests nor soldiers will be necessary in that happy country—such are the reveries of those coxcombs.—Some province that merits to be severely punished should be put under their care till they turn every thing topsy turvy; and then, finding the mischief they have done, they will learn that they are only fit for a madhouse, there to govern their crazy equals."

As

As to the expectations which the Government has from the Company, they have not been equally realized; neither are they equally well grounded.—The expectations of the Country are founded on the natural order and rights of things; but those of the Government to £.500,000 annually are founded on an agreement, which, not to call it unfair, is at least fixed by no true criterion*.

To judge of this, it is only necessary to make a few observations and comparisons; for when things are enveloped in official mystery, the only, or at least the best way, is to appeal to that general conclusion which known facts give, and common sense warrants.

In the first place, £.500,000 is a sum nearly equal to what the Stockholders divide, and is to be paid clear and net after all the expences, allowance, and pensions to the civil and military servants, and the dividends made.—To pay 5*l. per cent.* on the capital stock for the privilege seems rather an exorbitant exaction.

The above, if not a proof, is at least one reason for thinking that the price of the privilege is fixed too high.

A second reason for thinking that the King's Ministers consider the sum as too great, is, that they do not enforce its payment, but, without abandoning it, let it run in arrear.

Now on what footing, and for what reason can this be done? Is it from the injustice of the demand, or the inability of the Company? For at a time when the family of an industrious man would be turned

* We are not here to enquire whether this sum is for territorial possessions or for commercial privileges, because the result of the whole concern is measured by the dividends on stock.

out of doors, and have their beds sold from under them, for the King's taxes, amounting only to an insignificant sum, it cannot be equitable to let a wealthy Company run in arrear, so deep and so rapidly; injustice of the claim, or the necessity arising from state policy of forbearance, can be the only reasons; we say the only reasons, because generosity cannot be understood, and, going beyond that, there are only three things, justice, policy and necessity.

It may be said, and without doubt will be urged, that the compact between the Government and the Company is a written agreement; a written charter, with all those sacred formalities attached to it that are considered as inviolable. But to this it may be answered; that no form, no formality, nor all the parchment or wax in Europe, will alter the original basis of an agreement, if it is in itself wrong. The basis of an agreement is a free liberty to treat or not to treat. But what can a Chartered Company, whose debts greatly exceed its capital, do against the Minister of a Nation, who may say, "You must lose your charter, or give £.500,000 annually for its renewal?"

In a disquisition aiming to explain the nature of a business in general, it is but right to observe, that in a Company, the shares of which are saleable or transferable in a moment, there is no such thing as what may be called personal identity in the Stockholders. Those who are Stockholders this day, will enter into any engagement that may preserve their stock for the present, or until they can get rid of it in the common course of the market; the consequence of this is, that no Stockholder looks any farther than to the present value of stock. The ultimate interest of the Company affects him no more than the ultimate value of a Bank of England note affects the traveller on the road, who knows he can pay the postage of the chaise, or the bill at
C the

the inn with it*. This is one of the causes why, as long as the Company can renew its Charter, it will do so, no matter on what conditions. Ministers should therefore go by another rule in fixing a price upon the Charter than the sum they can obtain. In most bargains it is the rule to take as much as can be got: now this is very well when there is a free competition, such as in a contract for a Loan or a Lottery; but it is not wise, nor is it fair, when those contracting have no alternative but ruin or acquiescence.

The Stockholders certainly risque all the advanced price of their stock if the Charter is not renewed at any one time that it expires, therefore they may resist a little, but cannot ultimately refuse whatever a Minister demands; the Minister in that case should consider what the Company can pay, not what it will agree to pay; for an agreement that is not founded upon the ability of that body is a delusion to the Public, and may be the ruin of the Company.

In the present circumstances the Company have agreed to pay more than they well can; a necessary consequence of which is, that not being able to keep to their agreement, they are obliged to accede to every proposition that comes to them from Ministers; which, though they may come under the form of proposals, are in all cases, where

* When once shares of any sort of stock have obtained a current price, whether that price is founded on real value or only on opinion, nothing but some sudden calamity can destroy the price of such shares, because the uncertainty of the price they may be sold at will always keep the possessors from selling them very low: and again the certainty of their being saleable will always make them find new purchasers when wanted. The shares in the water-works of Paris sold for 1200 livres, or 50l. when they did not divide eighteen livres a-year. Shares in other companies, that made no dividends, were sold and resold merely because what one can sell readily no one will be very averse to purchase.

the Ministers chuse it, commands*. Remonstrances may be made, but there can be no refusal. We see the Company lending to the State, though it owes money to it, and is obliged to borrow what it lends. This is absurdity, but it is complicated absurdity, and the multitude see it not. The Stockholders do not see it; and if they did, could they find a remedy? The Directors see it, and know well the unfortunate predicament; but as Stockholders themselves, and as Directors representing the whole, they are doubly bound to obedience both by their honour and their interest.

If the £.500,000 a-year be taken as a douceur for the privilege of trading to India, it is by far too much. If it is considered as on account of territorial possessions, then the territorial possessions should be made to pay the money by so arranging the revenue and expenditure, that the Company may be able to pay it from that source †.

At all events the £.500,000 never should be allowed to accumulate as a debt, for the end will be ruin to the Company and danger to the State; for the secret will some day transpire, the Company will lose its credit, and Government, when it will be too late, will find that its credit will be hurt by the overthrow.

Some mode should be taken of ascertaining what the Company can fairly afford to pay, and whatever it is found to be less than £.500,000 it should be reduced to, and the Company should be required to

* There is no reason for thinking that the present Minister will take the least advantage of these circumstances; but a Pharaoh may come, that knows not Joseph.

† A new war in India will bring this to a conclusion speedily; because it will do away the probability of the Company ever paying the money. War has actually commenced in that quarter, but there is no saying, whether it will end, after Tippoo shall be destroyed.

come to some terms of Arrangement for what is over due, and to be correct in all its future payments *.

We have endeavoured to prove that £.500,000 is more than the Company can annually afford to pay, by comparing that sum with the dividends, and also by observing, that if Ministers were not of that opinion themselves, there is injustice to the public in letting it run in arrears, when every other branch of Revenue is so strictly collected. Should we, however, be mistaken in this, there can be no possible mistake in the assertion, that ruin must follow the accumulation of such heavy arrears; and in saying, that the real state of the case should be ascertained; because any agreement for so large a sum ought to be founded upon a solid, and not an imaginary basis.

Perhaps the best way would be to have a Committee composed of six Directors, six Members of the Board of Controul, and twelve Members of the House of Commons, to examine into the affair, and fix the sum the Company should pay, proceeding upon the true state of the matter, *viz.* That the India Company undertook, on the renewal of its Charter, to pay that sum under circumstances of such a nature as to prevent the free exercise of its will; and that, as so great a contract ought to be on a solid basis, the Committee will examine what sum ought fairly to be paid, and that being fixed, the Company shall settle for the time past, and pay regularly for the time to come.

It may be well here to pay a little attention to the false appearance that is given to things, from their being under the regular manage-

* The manner that this is meant to be adjusted is, no doubt, by permitting the Company to make another loan, out of which Government will be paid all or part of the arrears. This is only a palliative, not a cure.



ment of a great Company. Every resolution, every act, assumes the pomp and form of deliberation ; and, in many instances, destruction has come on veiled under the cloak of ceremony, which disguises real decay under the *costume* of former prosperity.

The connection between Government and the Company is now so close by means of the Board of Controul, that nothing would be more easy than to come to an amicable and fair adjustment about the surplus year by year ; but to let it run on unsettled, will turn out to be a ruinous measure at last.

Considering then that the Company is possessed of a Privilege or Charter, which, according to the written letter of it, is not exclusive ; but which, according to the real tendency of it, is nearly so ; we ought not to be indifferent about whether it does or does not pay any annual sum towards the expences of the State, a point which, as has already been said, has not been decided ; for the Annual Budget shews an excess from which the country is intitled to a large sum, and the fact is, that the country does not receive any sum at all. Now, in this case ought the existing facts, or the estimates, to be taken as a rule for judging whether the Company is able to pay this sum or not ?

As the Company owes a large sum, it is capitally deficient : but again, as it is paying off part of that sum annually, it is not deficient in revenue ; so that the point may be decided either way : for it is clear, if the Company is not to pay any sum towards Government until all its debts are paid, the £.500,000 a-year is a baseless vision. If, on the contrary, the interest alone of these debts is to have the preference, the Company should pay now, and should have been paying every year since the renewal of its Charter.

Con-

Considering then the degree of monopoly that is attached to the Company's Charter, the public has not much cause to complain. The produce of India is imported in abundance (generally speaking), and at reasonable prices; but then again, the revenue of the country does not reap the advantage that it might, and many individuals have reason to be dissatisfied.

The Company has laid down some rules that may be prudent and necessary in a certain degree, but are not necessary to the extent they are carried. Nothing but cash or Bank of England notes are received at the sales. Now as the existence of the Bank of England is certainly a proof that there is good private paper in England, why does not the Company take the trouble to establish an office to examine the bills offered, and take those that are good, and such as the Bank would take. As possessed of nearly a monopoly, the Public has a right to expect, that, so far as safety goes, the trade should be accommodated in its payments. Of this we shall speak more hereafter, but it is necessary here to touch upon that subject.

To take long credits, and grant none, is one of the attendants of monopoly; and, in this instance the Company unquestionably avails itself of the Charter in its fullest extent, even to its own disadvantage, as will hereafter be shewn, as well as on some occasions to the great inconvenience of the Public.

It is indeed necessary here to observe, that in point of vending at sales of Asiatic articles, the Company is completely possessed of an exclusive privilege; and also, we find that it is the precise instance in which the Public is treated with the greatest rigour.

In one circumstance relative to monopoly, the Charter is different from all others ; for a certain degree of competition is permitted to foreigners, which is forbidden to his Majesty's subjects. Of this and its consequences we must take a full survey when we come to the subject of Free and Illicit Trade, as they at present stand defined by the laws of this country.

C H A P. II.

RISE AND PROGRESS OF THE EAST INDIA COMPANY AS A
COMMERCIAL BODY.

THE rise and exaltation of the English East India Company is more worthy of observation than many of those splendid transactions, that have attracted the attention of mankind, and occupied the pen of the historian. The importance of the British Empire in the East, established under the influence of a body of merchants, has frequently become the subject of parliamentary discussion; but at this moment another discussion, of much greater importance, is about to take place; and the information of every person at all conversant with India affairs, or with the ideas of general commerce, will be sedulously required.

From a limited body of merchants, the India Company have become the Arbiters of the East. They have erected themselves into sovereign authority and dominion, superior in extent and population to Great Britain itself.

In tracing this subject to the source, we shall discover the East India Company's situation so totally different from its present state that, without a thorough knowledge of the gradations by which that body of men have mounted to so considerable a height, we should be at a loss to account for the transition.

It

It is well known by what means the Portuguese advanced in discovery, till they at last opened a communication by the ocean between Europe and Asia. That nation enjoyed undisturbed, and almost without a rival, the trade of India for many years; and from a confined, but enterprising people, they became a powerful and wealthy kingdom. An irrefragable proof, that the productions of India are a mine of wealth to the nation who possesses its trade, without regard to territorial acquisitions. The advantage of extensive dominion the Portuguese never had to boast of; an advantage, which, without prudent management and scrupulous attention, may be perverted to most destructive purposes, and ultimately become a source of ruin to the mother country.

During the reign of Queen Elizabeth the influx of wealth into the kingdom of Portugal, by means of its trade with the East Indies, began to rouse the spirit and industry of mercantile adventurers in England. In consequence of the flattering prospect a participation in that trade afforded, application was made to her Majesty, who granted a Charter under the Great seal of England, constituting a certain body of merchants the sole and exclusive traders to the East Indies.

It was necessary from the extent of so vast an undertaking, as a regular system of trade to the East Indies was then deemed, to grant a monopoly of it to such adventurers as were willing to risk their money in the prosecution of what was considered a perilous and precarious plan; a plan likely to meet with difficulties, not only from our little knowledge of maritime affairs, but on account of opposition to be expected from the avidity of the Portuguese, who saw the exertions of the English with a jealous eye, and whose interest it was to continue to engross so productive a branch of commerce. Our adventurers, in a competition with such formidable rivals, had every thing to combat,

particularly from the want of knowledge of the coasts of India, and of the language, manners, and customs of the inhabitants.

The original institution of an East India Company, trading by the Cape of Good Hope, was intended to promote discovery, to multiply manufactures, and to extend our commerce; as well as to prove a nursery for seamen, and to provide for numerous individuals of the British Empire: objects, all of them, tending to the aggrandisement and wealth of the English Nation *.

For this purpose a Charter of Incorporation was granted, under favorable conditions, to a number of merchants, to trade to India by means of a capital, consisting of a number of shares, and by the way of the Cape of Good Hope, under the title of the LONDON EAST INDIA COMPANY. This Charter was dated the thirty-first of December 1600, in the forty-third year of the reign of Queen Elizabeth. King James the First, in a new Charter, confirmed this deed on the twenty-first of May 1609.

King Charles the Second renewed the Charter of the Company, and extended its power still farther, on the third of April 1661. From the year 1600 to the year 1669 the London East India Company acted only as a company of merchants; they had permission from different native princes in the East to erect factories on their territories, and to conduct trade on principles of reciprocity. The marriage of Charles to the Infanta of Portugal furnished an occasion for territorial aggrandisement. In lieu of receiving money as a

* The advantages to be derived from such an inexhaustible mine as the trade to India, had been seen, and sought for by the English by the way of the Wolga and the Caspian Sea; but as land-carriage can in no instance answer the purposes of trade, or be put in competition in any shape, when the object of that trade is to be attained by voyages by sea, it was given up, and a more profitable and certain expedient fallen upon, to waft the productions of India to the shores of Britain.

clower, it was judged more worthy of the King of Portugal to cede a part of the martial acquirements of his countrymen. Tangiers in Africa, and the little island of Bombay, on the coast of Malabar, in the East Indies, were transferred to his Majesty for his use for ever *. As it was not the object of his Majesty to derive any revenue from this new gift, he judged it expedient to present the London East India Company with the settlement of Bombay.

Let us here pause, and reflect on the probability, that the views of King Charles carried him to the hope of conquest in India ; and there is great reason to imagine that he sought an alliance with Portugal, in order to obtain from that kingdom the means of commencing and more firmly establishing the English power in the East. That Charles had in contemplation the acquirement of territory in Asia, is obvious from the privileges granted by the Charters of that monarch ; the Charter of 1661 conveying the power of exporting warlike stores, mounting cannon on the walls of their factories, and even that of making war and concluding peace. The Charter that gave Bombay to the London East India Company, gave an authority to exercise martial law, which implies a permission to levy and embody troops. The island was directed to be held in fockage, at the yearly rent of £.10 *per annum* for ever. On the sixteenth of December 1674, the island of St. Helena, in the Atlantic Ocean, was added, as a voluntary gift from the Crown. As the power of coining money in India had then become of considerable consequence to the Company, a privilege for that purpose was also conceded by Charles, in a Charter under the Great seal, dated the sixth of October 1677 : thus, in fact, converting the Company into a sovereign power †.

* As this Monarch has always been reproached for wit, levity, and extravagance ; as the sale of Dunkirk is eternally brought forward, it is but fair to notice this instance of foresight and regard to national prosperity, though he thereby let the occasion of receiving some money in an honourable way escape him.

† Charles the Second was surrounded by poets and buffoons, and not by historians ; neither was he followed by historians who were inclined to speak his praise, else, perhaps, his conduct

At this period the Governors and Agents of the Company abroad were busily employed in promoting schemes for future power and aggrandisement; they saw with what success the Portuguese had subjugated many of the native princes, and they burned with desire to become their rivals. Those at the head of affairs in England were not backward to second and promote their views. The factories of the Company were now become forts; they had troops to muster, and martial law to exercise. On this account it became necessary to take a review of former grants, and to consolidate the growing power of the Company; accordingly, in 1683, the full exercise of all the rights of a nation were permitted to the Directors, by them to be delegated to their servants abroad; which Charter was fully confirmed by King James on the twelfth of April 1686, with the additional power of creating a marine force in India.

The growing resources of the Company awakened the attention of William the Third, to which he was stimulated by the want of money, occasioned by his expensive wars, a duty of *£.5 per cent.* was therefore imposed by that Monarch on the capital stock. Some defalcation in the payment produced a new Charter, which had either attached to it, or afterwards led to two Deeds of Regulation to prevent abuse in the conduct of the Company. It appears that these Deeds of Regulation were dated in November 1693, and September 1697.

The same necessity which occasioned the tax of *5 per cent.* above alluded to, produced a system which had nearly terminated the existence of our Eastern commerce.

In this transaction might have been traced to as deep and as laudable a cause, as the building of Alexandria by the King of Macedon.

A new

A new set of adventurers, taking the advantage of the necessities of the State, made an offer of two millions to Government at 8 *per cent.* for which, in return they requested permission to trade to the East Indies. The offer was accepted, and they were incorporated, under the title of the English East India Company in 1698. The rivalry which existed between the contending Companies could not be allayed; and the fermentation, produced in consequence of it, led almost to acts of open violence and hostility; the result of which must inevitably have been, our expulsion from India. On this subject it may be observed, that private animosities, the effects of which we have had of late too much reason to lament, can never terminate the disputes or increase the respectability of any body, whether commercial or otherwise. It was readily foreseen, in regard to the disputes between the Companies, that nothing could restore harmony between the contending parties, but the total extinction of both, and the establishment of a new Company.

It is here to be remarked, and it is of considerable importance to know, that in all the different Charters granted to the East India Companies, the sovereignty of the King over all the acquisitions in the East had been most scrupulously attended to; and the more firmly to impress and perpetuate this circumstance on the minds of the nation at large, it was judged necessary, that a formal resignation of all their powers should be made by them to the source from whence they had originated. The Crown accepted the resignation: but by another Charter, in 1702, the two Companies were established, as the "United Company of Merchants trading to the East Indies." This new Company was endowed with all the rights, immunities, and prerogatives which had been enjoyed by the former ones.

From the time this union took place to the present moment, the Charters of the Company have been regularly and very nearly exclu-

exclusively renewed. And it may not be improper to state the terms on which they have been thus successively confirmed, as well as the different periods at which they were granted.

Year.

1600. FIRST CHARTER, granted by Elizabeth to the London East India Company, consisting of a liberty to trade, but without exacting any price for that liberty.
1609. SECOND CHARTER, by James I. without any premium being exacted.
1661. THIRD CHARTER, Charles II. without any premium.
1669. Bombay granted to the Company by Royal Donation.
1674. St. Helena granted by Donation from the Crown.
1677. FOURTH CHARTER, by Charles II. without any premium.
1683. FIFTH CHARTER, without any premium.
1686. SIXTH CHARTER, more enlarged by James II. without premium.
1693. SEVENTH CHARTER, William and Mary. This was granted in consequence of the Company having forfeited its Charter, by omitting to pay duties that had been laid on Stock by William and Mary.
1698. FIRST CHARTER of the English East India Company, on condition of lending at the rate of 8 *per cent.* - - - - - £.2,008,000
1702. FIRST CHARTER of Incorporation of the two Companies to 1726.
1711. SECOND CHARTER of exemption of the United Company of Merchants trading to the East Indies, on condition of furnishing £.1,200,000 at 5 *per cent.* prolonged to 1733. - - - - - 1,200,000
1730. THIRD CHARTER of the United Company, on condition of reducing the interest on £.3,200,000 from 5 to 4 *per cent.* besides a gift of £.200,000, extended to 1736.

Year.

1744. FOURTH CHARTER of the United Company, borrowing £.1,000,000, at 3 *per cent.* extended to
 1780. - - - - - 1,000,000

Total debt due by Government to the Company, £.4,200,000

1750. The interest on this sum of £.4,200,000, was fixed at 3 *per cent.* making the annuity £.126,000.

1767. About this time the East India Company came into the possession, by conquest, of very considerable territorial revenues in Bengal. By way of compensation for the enjoyment of them it was agreed, that the Company should pay to the Crown for two years, the sum of £.400,000 annually.

1769. The sum of £.400,000 to be paid annually by the Company to Government was continued for five years longer, and consequently the territory confirmed until 1774.

1779. By the 19th of George III. the territorial acquisitions were confirmed to the Company till the 5th of April, 1780; and the following year the same was extended till the 5th of April, 1781.

1781. By the 21st of George III. the exclusive privilege of trade, and the right of possessing the territorial revenue under the Crown, having now devolved to the public, both the one and the other were continued to the East India Company till March 1791, with three years grace, on the consideration of the payment of £.400,000 annually.

1794. The exclusive privileges and territorial grant having again expired, the sum of £.500,000 annually was exacted by the Public from the Company, for a renewal of their Charter, for twenty years, with three years grace; so that their Charter demises to the Crown in anno 1817; but this £.500,000 is not a positive sum to be paid, but a conditional one,

one, should there be a surplus to pay it with, after the expences of trade and dividends are paid *.

Commerce is founded on industry, and ought to be free from the ambition of conquest. While the East India Company continued in the line of Merchants, when possessed of factories and other commercial establishments only, their success was clear and certain. The Proprietors divided 8 *per cent.* of actual profit on their capital stock. But we shall find that from the time the East India Company rendered their affairs complicate, by interfering in the politics of the country, and the natural consequence of conquest, the acquisition of territorial revenue, the concern, taken in *toto*, has afforded less advantage; for though dividends have not decreased, the debts have augmented at a very amazing rate; and certainly warrant us in the conclusion, that if the basis be solid, at least the mode of conducting the business requires alteration and amendment, taking our view from the moment the Company obtained territory. But the grand and leading object of the Company has been very different from what it was at its institution. The East India Company, instead of conceiving themselves to be under the necessity of paying attention to their commercial concerns, were so confident in the wealth to be derived from their suddenly acquired territorial property, that whether they should gain or lose by commerce began apparently, in the great scale of *their affairs*, to be considered as of very little importance.

* Many remarks may be made on this, but one will serve for all; that, so long as Government chuses to grant a delay, good reasons for doing so may be found; and whenever Government will wait no longer, good reasons will be found also. This arises from the extent and intricacy of the affairs of the Company, and its near connection with Government. It owes immense sums, therefore there is a capital deficit; but, it is paying them off, therefore there is an annual excess; it remains then with Government to be ruled by the one or the other of these criterions.

From

From this short but succinct history of the rise and progress of the existing East India Company, will be easily understood, how much that Company have owed to their fair trade, and how much they have benefited from territorial acquisition. This subject will be fully and comprehensively illustrated in two Charts, representing by the means of lineal arithmetic—First, The yearly exports and imports, with the balance of trade in each year—Secondly, The territorial revenue with its annual application.

CH A P. III.

RISE AND PROGRESS OF THE EAST INDIA COMPANY AS DELEGATED SOVEREIGNS OF THE TERRITORIAL POSSESSIONS IN INDIA.

ASIA, since the days of Alexander, has undergone numberless vicissitudes, both by revolution and conquest. As they have been frequent, so have they been dreadful; and the recollection of them affords an instructive lesson to States and Kingdoms. The North has, at all periods, over-run the South. The Tartars and other Northern hordes have quitted their dreary plains to seize on the more productive regions of India and China. In these situations their power was predominant, till luxury and enervation prepared the way for fresh subjugation. But, without dwelling on these occurrences, it is a novelty in the history of nations, that an insulated people, far removed from a country which has *at all times enrich'd its conquerors*, should, at the distance of 10,000 miles, establish an extensive empire, and govern, by the means of delegated power, 26,000,000 of inhabitants, who are in themselves industrious, warlike, and enterprizing.

We have already observed, and we believe it is a remark which has escaped the pen of any former writer, that to the prudent foresight of King Charles II. we are originally indebted for our territorial acquisitions in the East. The views of that Monarch in the early stages of preparation for the attainment of this important object, could only be feebly seconded. The natives of India saw with indig-

indignation and regret, the overbearing conduct of the Portuguese, who had fortified and garrisoned the principal mercantile situations on the Western-side of India*, and brought under their obedience many of the native Princes on that Peninsula. Those that remained free and undisturbed, were jealous of similar encroachments on the part of the English, and it could only be by slow degrees that any thing like a permanent establishment could be attempted. The factories of the English merchants or agents of the Company were at first protected by the ruling power of the district in which they were placed; they were in themselves defenceless, and it was a long time before they were permitted to encompass them with walls.

The continual and unremitting quarrels amongst the natives themselves afforded a pretext for the addition of bastions, and for mounting cannon on the walls. Troops now became necessary; but they were a motley group, badly clothed, and ill disciplined. The European soldiers were renegadoes of all descriptions, and even their officers were chosen from the lowest orders. Mutiny and discord pervaded the establishments of the Company, Bombay was a whole year in the hands of a person who held an inferior military rank on that island; and it was with some difficulty that order was again restored†. In this situation, with few opportunities for territorial aggrandizement, did matters remain for a considerable length of time; and energy appeared to be suspended in our Asiatic settlements‡, till the war

* The Portuguese had very extensive establishments not only on the Peninsula of India, but in the Gulfs of Arabia and Persia; as also at Malacca, and to the Eastward of it, with several Islands in the Eastern Archipelago. The Dutch rose on their ruins, but the rivalry between England and France in the East Indies, eclipsed both, and finally fixed Great Britain in the proud situation, which she holds with so much justice and moderation in that country.

† Not fifty years ago, the troops mounted guard in long trowsers and white cotton caps; and the Auxiliaries at Bombay were principally Arabs, who frequently became almost too powerful for their masters, in consequence of which, they were disbanded by that Government.

‡ It must be allowed that the Company's trade during this period went on very prosperously; for having no territorial revenue to resort to, the minutiae and oeconomy of commerce were strictly attended to.

which commenced in Europe in 1744, animated the breasts of Englishmen. The animosities of nations kindled at one quarter of the world, speedily find their way to the extremities of the globe, if any portion of the contending parties are there to be found. Chance had led the English and French to the plains of Hindostan, which was now destined to become the scene of contest for rivalry and power. The dispositions of the natives but too readily seconded the views of both parties; and while they imagined that the cause in which they had engaged the European powers, as allies, was their own, they did not foresee the end of their power, and the downfall of the Throne which they strove to support.

The East India Company possess'd at this time on the Coast of Coromandel, the settlement of Fort Saint George, an ancient establishment of theirs, but to which very trifling territory was annexed. In Bengal* they had no territorial possessions; the French on the Coast were possessed of Pondicherry, which formed their grand military depot, and also of Karical. At this juncture the Mogul Empire was shaken by revolt, and was gradually mouldering to final decay. The distant Provinces were by degrees dismembering themselves from the huge mass of Mahomedan power, established under Tamerlane† and his successors, and the Soubadary of the Decan had already declared its independency. Thus situated, two powerful competitors stood forward for the appointment of Nabob of the Province of Arcot. The one, Anawer Odien Cawn, was already in the lawful possession of that dignity, and his interest was espoused by the English; the other an usurper, Chunda Saheb, in whose favour the French had some time before declared themselves.

* At Calcutta there was an English factory.

† This is a corruption, the real name was Timur Shaw; but being lame in one leg, he acquired the appellation of *Lung*, which signifies lame.

It is unnecessary to our purpose to detail the variety of success which attended the hostile armies; many engagements were fought, and the Plains of the Carnatic were drench'd in the mingled blood of Europeans and natives; but in all the courage and determination of our countrymen were every where acknowledged. Suffice it to say, that the English succeeded in fully establishing the authority of Mahomed Ally Cawn*, the second son of Anawer Odien, who had been killed in action; over the whole districts of that extensive territory. The inveteracy of this contest outlived the war in Europe, and it became at last necessary for the Governments of England and France to direct that the East India Companies of both nations should restore tranquillity in the East, on a system of reciprocal equality to both parties.

The French having the interest of Salabut Jung, the Soubah of the Decan was however the predominant power on the Coast of Coromandel. They acquired from that Prince the district of Mazulipatnam and the Northern Sircars†, and even a right of sovereignty over the whole of the Carnatic. Bad conduct towards the native powers of India, and impolicy in the Court of Versailles, distracted the confidence of Salabut Jung, and lost the Carnatic. The English did not fail to take the advantage of these circumstances, and to court the alliance of the Soubah of the Decan. It was now their turn to assert their sway, and the war which broke out in Europe the same year, in which the agreement between the English and French East India Company had taken place‡, afforded a favourable opportunity.

* His son at this time fills the same situation, under the protection of the Government of Fort St. George.

† The Sircars consist of five fertile Provinces, situated to the northward of Madras,—Vide Map.

‡ In this contest the glory of the English was complete; they had the satisfaction to behold every grant made in favour of the French by Salabut Jung, annulled by the Mogul;—themselves

The result of this new war was disgraceful to the French; the Sircars were wrested from them, Pondicherry was taken and destroyed, and they were not left a single foot of ground in the Carnatic. The English, on the contrary, rose on their ruin, and soon became possessed of much more than the French had lost *.

In order to render the subject on which we are now treating as intelligible as possible, it may not be unnecessary to take a short review of the Company's territorial possessions as they stood in the year 1756.

At Bengal the company were in possession of Calcutta, then named Allynagur†, with a few villages, which had been ceded by the Mogul; and they had factories at Cossimbazar and Dacca: but the whole customs and revenue amounted only to the trifling sum of £.23,588 *per annum*.

At Madras the territorial possessions were something more extensive, but still comparatively small; they were enclosed by a bound hedge made of the prickly pear or milk bush, immediately surrounding the old castle of Fort St. George‡. The revenue and customs

themselves put in possession; Salabut Jung, now the friend of the English, established in the Decan; Mahomed Ally Cawn, the ally of the Company, made Nabob of the Carnatic, and the French expelled from India. In the year 1763, by the general peace, Pondicherry, &c. was restored to the French; but both Salabut Jung and Mahomed Ally Cawn were fully acknowledged, in their respective dignities.

* There was consequently no time to procure the ratification of this agreement by the two Courts, and which was originally intended.

† This signifies the house or stronghold of Ally.

‡ The old castles of Bombay and Fort St. George are still preserved. The new forts of both places are perfectly regular, after the European manner, and may, in the present state of things, be deemed impregnable against a country power; and tenable for a considerable time, if well supplied

did not exceed the sum of £.64,144 *per annum*, principally arising from the duties on commerce.

Bombay, from its favourable situation, commanding the trade of the north of India, the Gulph of Persia and Arabia, had by this time risen into considerable prosperity, and had dependent on it, Bancoot and Hematgur*, together with nine villages, besides the factories of Surat, Tellichery, Calicut, and Anjengo, with an establishment on the Indus. Still its resources did not produce more than the yearly sum of £.56,507, every thing included.

The little settlement of Bencoolen, on the coast of Sumatra, was rated at only the sum of £.2145 *per annum*; so that the whole Revenue and Customs of the Company amounted to the yearly sum of £.146,384.

It must be allowed, if the Territory and Revenue of the East India Company were limited, their out-goings were comparatively small: the whole civil and military expences at this period fell considerably short of £.300,000 *per annum*.

The chance of war, as we have already observed, considerably altered the face of public affairs; and we find the whole of the Sircar of Masulipatnam, together with eight other districts, the Sircar of

supplied and properly garrisoned, against a formidable European force; and such as could not, while we remain paramount at sea, be conveyed to India.

* It is here to be noticed, that Admiral Watson having reduced the fort of Geriah, the stronghold of the noted pirate Angria, who had always been troublesome, it was agreed on between the Mharattas and the Government of Bombay, that in consideration of the surrender of Geriah to the Mharattas, these would in return put the Company in possession of Bancoot, now called Fort Victoria, with its dependencies. This treaty was concluded at Poona, the capital of the Mharatta empire, on the 12th of October 1756.

Nizampatnam, and the districts of Condaver and Wacalmanner ceded to the English East India Company, as a free gift by Salabut Jung, the former friend of the French interests in India. In this year a very large addition to the territory was granted by the same prince to the English East India Company; and in 1765 he confirmed to them the valuable possession of the northern Sircars.

In the year 1768 several arrangements and treaties of peace and amity were made and entered into between the Soubah of the Decan, the Nabob of Arcot, and the English East India Company; all of them tending to concentrate the power of the Company, and preserve their possessions in the Carnatic, where by this time a very considerable revenue had arisen.

But all the successes of the Company in that quarter were not to be compared with the splendid and rapid acquirements of Lord Clive, and his successes in the provinces of Bengal, Bahar, and Orixá.

We have already observed, that the Revenue and Customs of the British Establishments in Bengal, previous to the year 1756, brought in no greater a sum than. £.23,588 annually. In the year 1757 the career began, and we find in 1765, the East India Company in complete possession of territorial revenues on the banks of the Ganges, guaranteed by firmans from the Great Mogul, to the amount of £.1,200,000 *per annum*.

For the clearest information on this important subject, we shall refer our readers to the Appendix *, where they will find the documents by which the right to the territory was progressively conveyed to the East India Company, and by what authority; and we shall

* Vide Appendix, [B].

conclude

conclude this chapter with the general result, which places the military talents great abilities and exertions of the servants of the Company in the most conspicuous point of view, *viz.* That from 1757 to 1765 a territorial revenue, customs included, amounting to £.146,384 *per annum*, was in little more than seven years increased by the means of conquest and alliance to £.1,600,000; from which period to the present time it has been greatly augmented, and now actually produces nearly £.8,000,000 sterling of absolute revenue.

C H A P. IV.

EXAMINATION OF THE COMPANY'S CHARTER, AND THE RIGHTS IT GRANTS AND GUARANTEES, &c.

THE Charter of the East India Company, as it now stands, guarantees to it the possessions in India; regulates the manner of governing those possessions; and regulates further the manner in which the trade to and from India is to be carried on; defining in what it is exclusive monopoly, and in what individuals are, under certain restrictions, at liberty to participate in.

The duration of these rights is limited to twenty-three years from the first of March 1794, without, however, dissolving the Company as a Joint Stock Company, in which capacity it is to be considered as being of an unlimited duration. We shall proceed to examine these parts separately.

It was certainly extremely necessary to controul the power of the Court of Directors, as delegated sovereigns of a territory far exceeding in extent and population this country itself; but it was more particularly so, in regard to the right of making war or concluding peace. Accordingly, in all territorial affairs, the Board of Controul has the power entirely in its hands*; the right of proposing, and of remonstrating, and giving reasons, is all that the Court of Directors possesses; for in the ultimate case of a difference of opinion the King in Council has an absolute right to determine as he pleases; which

* See the Abstract of the Charter in the Appendix.

right, it is evident his Majesty never can have occasion to exercise, as the very existence of that power insures the Board of Controul the victory in case of a difference of opinion, the principal members of that Board being members of the Council of the Sovereign, in whom the decision lies.

It is then not at all necessary to enter into the various regulations that are made and provided in this case, as they all, and properly so, terminate, or may be summed up in the supreme power of the Board of Controul, in all affairs relative to territory and dominion in India; and the delicacy with which this is done deserves considerable praise. The directors are allowed to be the medium through which this authority is exercised, without being constrained to become so; and thus unity of power is reconciled in the executive part with the controuling power, now a necessary and fundamental part of that immense establishment.

To those who have been at all attentive to the experiments that have been made, both in ancient times and very recently, for reconciling the power that wills and the power that executes, without destroying the energy of either; this will appear no very simple or easy matter; and the manner in which it is done with respect to India will appear to deserve considerable praise.

The whole aim of our establishment in India is certainly for the benefit of this country. It would be a vain, a false, and a flimsy assertion, to say, that in that government the happiness of the inhabitants is the primary or principal object; but it is an assertion that will be borne out by the fact, that neither precaution nor expence has been spared to render the inhabitants of these countries as happy as the circumstances of things will admit. To search after ideal perfection is useless folly: to discuss that absurd question, In

what happiness consists ; would here be absurd in the extreme ; therefore it is not condemning the system of government in India to say, that it is not very perfect. As to deciding the question, whether the natives who are under the British laws, are happier than those who are under their native princes, or under those usurpers who have replaced them ; is not possible : conjecture is all that can be given ; and that conjecture is, that ever since the British Government have had footing in Asia, in proportion as they became acquainted with India and Indian manners, they have ameliorated the lot of the inhabitants ; and no pains are spared to do it still farther. The ultimate result of which will probably be, that as England has given its laws and manners for a model to the greatest portion of the new discovered quarter of the world in the West ; so likewise will it in time, however distant, to the ancient Oriental States, which, to a certain degree, civilized, have been by some very ancient and deep rooted prejudices, prevented from improving and ameliorating their laws.

Never before was any conquered country treated with so much regard to the happiness of the inhabitants, as that with which Britain has endeavoured to treat India. Many excesses, which at first took place from unavoidable causes, are now restrained ; and in proportion as our power has been established and secured, its operation has become mild and friendly.

Having thus said, that every possible attention has been paid to the happiness of the people of India, which, however, is only to be accomplished by punishing those who are entrusted with civil or military power in that country when they abuse it ; necessity obliges us to say, that a proper mode of doing this has not yet been discovered ; and until it is, the system of government must be considered as incomplete.

The

The trial of Mr. Hastings, which is a severe satire upon our mode of administering justice, and at the same time a most uncommon example of injustice, must be decisive, as to the imperfection of our Indian code of laws. It is indeed true, that the trial of Mr. Hastings was previous to the present Charter; but no article or arrangement is to be found in it, that could prevent a similar trial from again taking place.

Whatever private opinion may be with respect to the merits of a Governor, whose abilities were on all sides allowed to be great; whose attention to the interests of the Company did not fall short of his abilities; and who, after long possessing power, returned to his native country with less wealth than many servants of the Company have amassed with one-third of the legitimate means, in one-third of the time; we say, without entering upon the merits of the man, there can be but one opinion with regard to the singular hardship of his case, which we must either attribute to the imperfection of the laws, or the injustice of those who administer them.

As to injustice in those into whose hands the laws were put, it cannot be supposed, nor did it exist. The House of Commons acted as the grand jury, and the House of Lords as judges; but with such an expence of money and of time as a gentleman who had wasted his constitution in an unhealthy climate, and who had been faithful to his trust, could not afford. The consequence of this was, that the unfortunate gentleman, who was the object of that enquiry, was honourably acquitted, after having expended almost his whole fortune in his defence, and having seven years of a very precarious reversion of existence, embittered with all those pangs, which the law's delay, and its uncertainty, produce.

If

If Mr. Hastings was guilty, the code must be very imperfect that admitted of such expence, such delay, and yet allowed an honourable acquittal; and if he was innocent, it was still more imperfect, to admit of so vexatious a proceeding.

To sum up then this part of the subject, the administration of justice, if in pure hands, is pretty complete in India: but then the system of enquiry into the purity of that administration is not at all perfect; as we have seen, that either the guilty may escape, or the innocent be punished, which in a fair way, is an inevitable conclusion from the trial of the first civil officer on that establishment.

In a case of this sort it might, perhaps, be better to have a grand jury, or those who do its office, chosen from amongst the judges and servants of the Company in India, and let them find a bill after what they can learn on the spot. Then, letting the proofs be brought home, the cause might be tried in this country.

One thing only in this case is certain, which is, that there is a great imperfection in this part of the Indian system of legislature, that a remedy should be sought for, and it is evident, that in the instance here given, the House of Commons were not in possession of that local knowledge, and that true criterion for forming a judgment, which protects the mind from being biased by eloquence or collateral circumstances. In another place we shall have occasion to enter into a short enquiry concerning the manner in which the memory and judgment are acted upon, when neither the names of men or things, or the manners or nature of the people, are familiar to those who are to remember, or to judge. It is sufficient for the present to say, that the code respecting Indian delinquents owes its chief imperfection to a want of attention to those circumstances which are necessary towards
form-

forming a true judgment of the merit or demerit of men acting at such a distance, and under such circumstances, as do the superior servants of the Company in India.

We next come to the commercial regulations of the Company, which begin (under certain limitations) by continuing to the Company those privileges which by former Charters it had enjoyed for and during the term of a certain number of years only, though the Corporation is not to terminate, but be continued to an indefinite period *.

After providing in detail for the manner in which what is termed WHOLE, SOLE, and EXCLUSIVE trade is to be carried on (See Article LXXVII. lines 2 and 3.), the Charter proceeds to state in what manner individual traders may be allowed to participate of a small portion of this immense branch of commerce; and though these regulations may be considered as a limitation of the rights the Company formerly enjoyed, yet the basis upon which they are founded, so far as they regard British subjects, is very far from being such as might be wished.

If individuals are allowed to participate at all, it is presumeable that it is judged fair and expedient that they should be allowed so to do; but it will very easily be seen, that in almost every case the Company, which they are endeavouring to rival, has a complete power over all their actions; that they are not permitted to do any thing in that free and independent way that would be necessary, in order to allow a fair competition, even to the limited amount intended.

The trade thus permitted appears, indeed, rather to have been so with a view to ease the Company of some of the obligations it owes

* For particulars, see Appendix.

the Public, than to grant advantages to private trade: as for example, if the Company does not export or import certain quantities of such and such articles, then the private trade is to be allowed to do so under the auspices and control of the Company.

We do not in this part of the Charter perceive any of that nice and delicate balancing of the executive and controlling power which we had occasion to admire so much in the arrangements relative to the Directors and the Board of Controul; on the contrary, we see every step and every act regulated by a rigid rule, dependent almost on the will of the Directors; a situation of things that, unless there is an absolute necessity for it, ought not to exist.

This is not the proper place to enter into the description of the manner of reconciling the interests of the Company with those of private trade, which must be done at more length hereafter: to consider the leading features of the Charter is our present business. With regard to this sort of free trade, it is only at present on a very dependent footing, and to a very limited amount. The free traders may be compared to the gleaners of a field, who can only pick up what the reaper has neglected, and who, even in doing that, are under controul, and liable to suspicion.

But another, and a still worse part of the Charter, is that which gives the free trade, as carried on by the subjects of other sovereigns, a great advantage over that carried on by those of his Britannic Majesty; which probably was given for political reasons of a nature not to be discussed between our Government and the Company, but between the different cabinets of Europe, and from sovereign to sovereign.

We

We cannot suppose that those who framed the Charter meant to give a preference to foreigners, and therefore we must find some probable, or at least possible reason for this strange preference. And it seems to have arisen from this, that necessity obliged our Ministers to grant to the subjects of neutral or friendly powers (the Charter being renewed in the time of war) certain privileges, which in some degree trenched on the monopoly of the East India Company; but at the same time, actuated by a strong desire to protect those privileges as far as possible, the subjects of this Country having no foreign cabinets to stipulate in their behalf, were excluded from an equal participation.

The preference given to foreigners, (consisting of friendly or neutral Powers), has not yet produced to its full extent all those bad consequences that it is calculated to bring on, because the war has prevented its effect in a considerable degree; but when the subjects of *all* governments shall become of that privileged description (which we hope is not a distant period), we shall find another or fuller effect. Then the Company and this Country will lose what, with a little trouble and proper regulations, they might easily keep; we mean the trade to India.

We shall examine hereafter the mode by which British subjects may be admitted into a fair participation of the trade with foreigners, and both without any disadvantage or loss to the Company, and at the same time with great advantage to the Public; the consideration of which subject is of high importance, and is indeed the main object of the present Work.

Amongst the disadvantages that the subjects of his Majesty lie under, in addition to those by law intended, are, that being his subjects, the law in its severity can be applied to them with greater effect. Foreigners may forfeit ship and cargo, when caught in the act of il-

the Public, than to grant advantages to private trade: as for example, if the Company does not export or import certain quantities of such and such articles, then the private trade is to be allowed to do so under the auspices and control of the Company.

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licit trade ; but there can be no retrospect, no bills of discovery filed with regard to them, to which even suspicion exposes the *subjects* of his Britannic Majesty.

The next part of the Charter that requires observation, is that for paying off the debts, and at the rate of £.500,000 a year. The intention is good and unobjectionable, but the means are wanting * ; as we shall shew when we come to treat of the financial affairs of the Company : and thus the worm that gnaws it to death will still be kept alive, and, instead of perishing, will fatten on its ruin.

Last of all, the Charter assigns the sum of £.500,000 a year to the Public after the Company shall have paid its dividends, and the other £.500,000 of debts. This is not in itself objectionable, for the Public has an undoubted right to expect something ; but, as we have already had occasion to observe, the sum is much too large, and has never been calculated upon the basis of possibilities, or even probabilities ; which is a main article with any fundamental condition of a bargain between two different bodies ; but particularly so when those different bodies are so connected, that the ruin of the one may affect the prosperity of the other.

To resume then the observations on the Charter.—We find the connection between the Board of Directors and the Board of Controul admirably contrived ; we find that what concerns the laws, government, &c. of our territorial domains, approaches pretty near perfection, and that means of punishing those in high situations, who venture to abuse the power with which they are entrusted, is the

* To pay off debt in this manner, the fund assigned should be absolutely certain, and administered by a power not subject to the contingent necessity of applying it otherwise. Both these things are wanting in this case ; for war will not only consume the fund, but create more debts.

principal defect. In viewing the laws and regulations which regard the general monopoly and private trade, we find the latter under many unnecessary and improper trammels, and that foreigners have a preference that will in the end prove very destructive to this Country. We likewise are of opinion, that the Sinking Fund for paying off the debt is not founded upon a solid basis, and is not in proper hands; and lastly, that the annual surplus of £.500,000, to be paid to Government for the Charter, has not been fixed with a proper regard to the circumstances of the case. Such are our remarks on the Charter, which, in the proper place, that is, in examining the different departments of the Company's affairs, we shall endeavour to prove not unsound; pointing out, as far as we can, the mode by which we think the conditions of that Charter might be ameliorated for the advantage of all parties.

The advantage which the Company will enjoy as a Joint Stock Company, supposing its charter in other respects terminated, and the territorial possessions in the hands of Government, is a point of great importance, and must be examined apart; for the privilege, though emanating from the original institution of the Company, cannot be at present considered as a leading privilege. If a Joint Stock Company of this nature could obtain good terms for its agents in India, and were to conduct its commercial concerns wisely, it would make larger dividends than it does now; as great capital is wanted for the tea trade and some other staple articles, which a Joint Stock Company can best command: but then again, many other parts of the trade may be much more advantageously carried on by individual houses, possessed of an active energy and early intelligence, being at the same time capable of a detail into which a large Company never can enter. We shall here illustrate this with one example:—The Bank of England divides 8 *per cent.* which affords the present stockholders but about 5 *per cent.* on the capital they have advanced; while individual

banking houses, without either the advantages of an equal credit or of regulating the money market, or of transacting the business of Government, make dividends so much higher in proportion to the capital employed, that to make a comparison would appear false or ridiculous. This happens by combating with individual energy, exertion, and intelligence, those great advantages which their Charter has secured to the Bank Proprietors.

One more remark, and then we close this subject of Chartered Companies; by shewing that they are not so advantageous as the stockholders think. No man in trade employs money in purchasing stock in any of these Companies but what he cannot employ in his private affairs, and to hold India Stock, Bank Stock, or Government Stock, is a matter almost of indifference to any monied man: or, in other words, as Government in general borrows under the common rate of interest, and to hold its stock is nearly as profitable, or perhaps quite so, the dividends of these great Companies reduce themselves below the common legal interest for money lent on good security.

Except then for the places and patronage they produce, (in the benefits of which the stockholders at large do not participate,) these great bodies are not productive of any individual gain or advantage.

C H A P. V.

FINANCES AND GAINS OF THE EAST INDIA COMPANY: ITS STATE
AS A COMMERCIAL BODY, AND REASONS WHY IT NEITHER CAN
NOR OUGHT TO EMBRACE THE WHOLE OF THE TRADE.

THE affairs of the India Company have generally been viewed, on most occasions, too much in detail. To enter into the minutiae of so great a commerce, would be like counting the grains in a sack of wheat; the general outlines of so great a concern, and not the particular facts, are of the most importance.

Trade of a mixed nature, like that to India, may be divided properly into two kinds. Trade in articles of which the consumption is certain, neither depending upon fancy or caprice, and which can likewise be purchased or selected without any great degree of commercial knowledge. The great staple articles of tea, metals, and raw materials, may in general be classed under that head.

The other branch of trade consists in articles of taste and fancy, or such as varying greatly in quality; require, in the merchants who deal in them, a very particular attention to circumstances, considerable knowledge of the goods, and, in general, much industry, attention, and intelligence, to traffic in them with advantage.

The first of these branches of trade employs a great capital, extends to a large amount, and affords a certain, but not an excessive profit.

The second is less expensive, but requires in proportion to its extent more than an equal capital, and may either be carried on with great profit or with loss, according to the intelligence employed in it.

It will easily appear from this, at the first view, that a great company may carry on the first branch with greater advantage than individuals; but that individuals may carry on the second with greater advantage than a Company.

If, when commercial affairs alone occupied the Company, it were still found necessary to allow individuals, who were then principally the Servants of the Company, (we mean the Captains, Mates, and other officers,) to share in this trade, on account of the impossibility of entering into the details, or possessing the knowledge necessary; it must be infinitely more necessary at present, when territorial possessions engross the chief attention of the Directors.

It is out of the foregoing circumstances that what is now called the **FREE TRADE** has started up within these few years; a trade of which we shall examine the nature in the following Chapter: and unless the Company takes proper methods to reconcile its interests with those of the merchants employed in this trade, ruin will be the consequence to itself; and upon that ruin will the foreign free trade erect its greatness. The Company now carries on a portion of trade on which there is almost a regular and expected loss. On another portion *, there appears by its reports a small gain; but this apparent gain is only upon paper, and even appears there in consequence of leaving out all those general expences which bear the hardest upon great and regular establishments.

Individuals, left unfettered, could carry on the same commerce with great advantage to themselves; and even under the present

* See Appendix, Note [D].

existing laws they do carry on the same advantageously, owing to their attention, intelligence, and particular knowledge of what they are about.

Without saying that the Directors of the Company, or the servants of the Company, want intelligence or attention, it is to be considered that the stated and fixed rules they have adopted for doing business, preclude the Directors from profiting by the superior knowledge of individuals amongst them. The sum of effective knowledge, to speak in the style of calculation, must be brought down to the average understanding of those who are to determine. Now, as the average or mean term of progressive quantities is always under, and sometimes much under the highest number, a Court of Directors cannot on any particular subject exercise the utmost extent of its information or knowledge.

Again, as to the executive part, which is committed to servants, they cannot use their judgment so completely as an individual who is acting for his own interest; for the individual looks to the result, the man employed looks to his responsibility; and disgrace may be the portion of the man who, forgetting that, speculates for the advantage of a Company: success will possibly not obtain him reward, or even perhaps thanks, and a failure must be productive of very fatal consequences.

Thus it is, that a very lucrative part of the Commerce of the East is interdicted to a great Company by the nature of things, and that the present East India Company, not attending sufficiently to this circumstance, loses money itself, and prevents individuals from gaining.

We must also add to this general nature of things, which tends to prevent the Company from occupying the trade exclusively with advantage, another cause that operates against it: the Company has
not

not sufficient capital to embrace the whole of the trade; and the loss attending upon the artificial capital it does employ, far exceeds the profit on the business done with it.

By artificial capital we mean, not only money borrowed in India on bonds, or raised on bills drawn on the Directors in England, but that capital raised in the way of purchasing goods on long credit, and paying in bills and bonds at long dates; which, though exempt from the appearance, and freed from the appellation or opprobrium of usury, is even worse, and attended with much more ruinous consequences.

The Company divides $10\frac{1}{2}$ *per cent.* on its real capital, amounting to £.6,000,000 of India Stock, or to 12,000,000 of money, which is £.660,000 a year of total dividend. Of that capital, £.4,200,000 is lent to Government at 3 *per cent.* producing an annual sum of £.126,000, and leaving *a dividend arising from the commerce and territory* to the annual amount of £.534,000.

The sum of £.84,000 which the Nation gains by the Loan, borrowing it at 3 *per cent.* instead of 5 *per cent.* is at present the only advantage it receives from the Asiatic trade; and as to the Stockholders, they divide only £.60,000 more than simple interest for their money! Such are the mighty profits arising from the almost exclusive commerce of the East, and the possession of a territory upwards of 1,200 miles in length, and 450 in breadth, peopled with above 26,000,000 of inhabitants, and one of the most fruitful portions of the Globe *.

It is not our purpose to enquire year by year what the territorial revenues amount to. In some years of peace they exceed, and in some

* The duty on Goods imported cannot be considered as any thing; because, let the trade be free or not, it will equally produce. There are about 1,200 Speakers and Voters at the India-House; supposing two-thirds of the Stock to be in their hands, it would make £.50 a year profit to each above the common interest of money.

years of war they fall short ; but though the Crores of Rupees, and millions of money, sound mightily in the ear, and though the figures look brilliant on paper, the result is simply as we have said, £.60,000 to the proprietors, and £.84,000 to the nation, while the debts have accumulated to a capital of more than £.13,000,000.

When reduced then to their just importance, such are the advantages to this great Company, taking into consideration the total result of their affairs, and weighing them in an exact balance. In the Appendix particular statements may be seen by those who are sceptical or curious ; but we must once more repeat it, that a general view is of greater utility than an enquiry into particular and minute facts, which load the memory, distract the attention, and give, instead of one clear, simple, and conclusive idea, a great number of confused, unimportant facts, which leave the mind either in ignorance or in disagreeable doubt and uncertainty.

Those who hear the long, and sometimes animated debates at the India House, may be tempted to think that either patriotism or gain are the cause ; but no such thing : patriotism is out of the question ; and as for gain, trifling as the excess over common interest for their money is, it cannot be an object to men of the description of India Proprietors, more particularly as the dividends are neither increased nor diminished on account of the losses and profits of the Company.

The Company already carries the regularity of the system on which it acts, to excess. It is true, that it cannot go to the length that individuals may, on their own account : but still it would be well to modernize the mode of carrying on business, and adapt it a little more to times and circumstances.

H

It

It would be very easy to point out many houses of commerce in London, who, the interest of their capital deducted, as we have done with the India Company, gain more annually than the Company divides; so that, comparing the profits of this great establishment with those of its cotemporaries, we are led to many curious reflections: but when we compare it with the wealth the Asiatic trade has from the earliest ages produced, we are lost in astonishment.

A trade almost exclusive, that has successively enriched every nation that ever possessed it, the progress of which we have briefly stated, and in aid of which, there is a territorial revenue greater than that of the Emperor of all the Russias, still does not equal the profits of a single merchant, when all accounts are balanced, and the result fairly brought to account ! !

It is not our intention to make any remarks that might seem severe on this occasion, but to explain the great and main reasons of so extraordinary a fact, is certainly required.

The Company has run into debt, and is the victim of the usurious transactions which that debt occasions.

It has not capital enough for its trade.

It has increased its establishments both at home and abroad, not measuring those establishments by necessity, but by its means.

It has paid more attention to political and territorial affairs than to commerce, and it goes on by that regular routine which is so ill adapted to commercial affairs, which are in their nature always varying.

The

The variations of the trade to India, as we have already seen, have been great in regard to the channels through which that trade has run ; but we have not yet had occasion to observe the variations that have taken place in its nature, owing to changes in the habits of men, and to other causes.

Formerly perfumes were consumed, both for the worship of the gods and the burial of the dead, as well as for the pleasure of the living ; now they are but little in use. The Great and singular Sacrifice once offered up for mankind, has put an end to the use of perfumes upon the altar, throughout the Christian world. Custom and taste, which are arbitrary and variable, have put an end to the funeral pile entirely, and have greatly lessened the consumption of perfumes in common life ; so that one of the principal articles of Asiatic commerce is nearly done away, or at least is amazingly diminished.

The importation of the silk-worm into Europe has lessened the demand for that great article ; and lastly, the perfection to which we have attained in our manufactures of cotton, porcelain, &c. in this country, have done away the necessity of importing Asiatic stuffs and china ware still more. But while, by the changes of manners and of taste, and the improvements in our manufactures, our imports from Asia were diminished, another change of manners and of taste augmented them beyond example. The taste for tea, introduced little more than a century ago, has extended so generally, that in that article alone compensation is made for the decline of all the others. Add to which, that a new quarter of the globe is discovered ; and that civilization and wealth making rapid progress, carry along with them a great want of the productions of Asia. For these reasons the trade on the whole has augmented ; but at the same time has considerably changed its nature.

Another and a greater change, with respect to the Company, is, that capital in this country has become more plentiful; and that modes have been discovered of reducing the risques of the sea and the dangers of speculation nearly to a certainty; the want of which gave great advantages formerly to what is called a Joint Stock Company, where the risques and dangers are shared by a great number; so that individuals can now carry on a competition on less unequal ground than in former times. Besides which, we shall see that the Company, by being too dictatorial in its mode of transacting business, has a considerable disadvantage, and drives into other channels profits and advantages, which it might, with another line of conduct, secure to itself.

Individuals are afraid to deal with a Company, which, even in its private affairs, mixes a good deal of Asiatic despotism; where the times of payment are sometimes fixed and sometimes optional.

It would be useless to enter into a detail of the disadvantages that arise to a great Company, from its being tied down to a regular routine, and thereby precluded from using that *discretionary intelligence* which always has been, and always will be, the life of commerce. It is sufficient to observe, that although formerly, when capital and a spirit of enterprize were wanting, that regular routine produced little inconveniency; yet now, as capital is abundant, and the spirit of enterprize unbounded, that routine is become a very hurtful thing, and productive of the worst of consequences.

Of the manner to counteract the evil arising from the methodical manner in which the Company is obliged to act, we shall have occa-

sion to speak when we come to treat of the plans that appear the most eligible to be adopted ; but surely no person can be so blind as not to see, after the statement we have given, that there is some very radical defect in the manner of carrying on our trade to India, considering at the same time that this commerce produces only as under :

Total dividends,	- - - - -	£.660,000
Of this comes from Government for the interest of money		
lent at 3 <i>per cent.</i>	- - - - -	<u>126,000</u>
Remains dividend arising from commerce and territory,		534,000
Deduct interest on capital at 5 <i>per cent.</i> on £.7,800,000*,		<u>390,000</u>
Total gain arising from the trade,	-	£.144,000
This £.144,000 is divided between the Nation and the		
Stockholders, as the £.4,200,000 lent to Government		
is under the common rate of interest 2 <i>per cent.</i> we must		
consider that as annually paid to it,	- - - - -	<u>84,000</u>
Gain clear to Stockholders,	- - - - -	£.60,000

The gain or excess of revenue of the Company in times of peace, is considerable ; but as wars have been so frequent, that the debts on the whole have increased, it is not fair to take either the war or peace statement, but to take the general result, which for the time past, we see is not a favourable one.

Much will undoubtedly depend on the frequency of wars in future in India ; but though this would afford an ample field for speculation, it will not admit of any thing like calculation ; the more so, that by the present contest there, the state of the country is likely to be con-

* Taking the whole stock at 12 millions in money, and deducting the money lent to Government, there remains £.7,800,000 on which dividends are made ; therefore, the fair interest is to be deducted, and what remains is profit.

siderably

siderably altered ; and that the war raging in Europe will leave us in a situation entirely new. All the old connections are done away ; the balance of power, so long talked of, exists no more ; and whether France is to remain a leading nation or not, is yet uncertain.

Let us then judge of the future by the past, and, without pretending to make any sort of estimate, suppose, that wars will be as frequent as they have been ; then in that case we shall find that more is expended during war than is saved in times of peace ; so that, on the whole, the Company's affairs cannot be considered as producing much advantage.

The obligation of paying to Government £.500,000 annually, after the dividends, and £.500,000 in liquidation of their debts, we have already had occasion to speak upon pretty fully ; therefore it is only necessary to say, that money not being exacted, is a proof that the affairs of the Company do not procure such gain and advantage as were expected.

But, while we are writing this, an event of great importance, the capture of Seringapatam, has taken place ; which, if properly improved, may materially better the situation of the Company.

By being properly improved, we do not mean to say, that if the gallant army which achieved that rapid and difficult conquest, follows up the advantage ; for of that there can be no doubt : but we mean, if those who manage the territorial affairs of the Company put things on a safe and fair footing ; if they reduce their expences, which the destruction of so near and so turbulent an enemy certainly will permit them to do ; and ~~if~~ at the same time they content themselves with an annual tribute from that country, placing the old Dynasty on the throne ; then the advantage will be great and permanent.

If, on the contrary, the Company endeavours to keep possession of that conquered country, the advantages will be uncertain, and its duration, at any rate, precarious ; for the profit and loss of the new government, merely as a mercantile affair, is problematical, and depends on circumstances : besides which, it may excite new jealousies amongst the native Powers, and so may lead to new contests and new expences.

It is however probable, that considerable and permanent advantages will arise from the destruction of so formidable an enemy ; and, in the mean time, the supply of money obtained by the capture of his treasure, must have a great influence on the finances of the Company, and procure a supply of specie in India, that was very much wanted.

To enter into the consequences of so recent an event, the information concerning which is yet far from complete, and the war which occasioned it not over, would be useless. It must be looked upon as an event very favourable to the Company, and will materially alter its future destiny in particular ; as by that the French have lost their last hope of co-operation in their designs upon our possessions in Asia.

The wisest conduct in the East India Company would be, to introduce economy into its affairs, both at home and abroad ; to decrease its establishments, and endeavour to pay off its debts ; and, limiting its ambition, permit others to participate in the trade to a certain degree unmolested, and only to embrace that portion of it where it reigns paramount and without a rival.

As a Commercial Body, or Joint Stock Company, we have already seen that its privileges extend to a time unlimited. Its exclusive
trade

trade terminates in the year 1811, and its territorial possessions in 1818.

If then things are not speedily and advantageously altered, the year 1811, with three years of grace, will probably be the term of the monopoly. For if the Company does not pay off its debts, and what it ought to pay to Government, there can be no inducement for continuing to grant it an exclusive privilege any longer; neither indeed is there any reason, even for the Stockholders, to desire it. As to the territorial possessions, they also will probably be taken away, when the time appointed comes. For why should a Company rule over more than twenty millions of inhabitants, unless it draws some advantage from doing so? or why should this country delegate to a Company so extensive a domain without profit or advantage? The Joint Stock Company will only then remain; and the trade, under certain regulations and restrictions, will be laid open to all.

C H A P. VI.

STATE OF THE COMPANY IN REGARD TO TERRITORIAL REVENUE.

IN considering this subject, it is to be observed, that the necessity of remitting the surplus revenue of India, through a commercial medium, is universally acknowledged. This is perhaps the best reason which can be given, for the existence of the Company at the present moment, as well as to justify, on the grounds of good and prudent management on their part, future pretensions to a renewal of their Charter.

The territorial revenues of India, although in the hands of the East India Company, and managed by them and their servants abroad, must be considered as belonging to the State, and only entrusted to their prudence and care. The Company are therefore the stewards of the State, and ought to account fairly for what they receive on the score of territorial revenue. At the same time Government should be extremely liberal in regard to what they exact from the Company in ready money, considering the very great advantages which are reaped by the shipping interest of this country, as well as by the manufacturers and the proprietors of tin, lead, copper, and other staples; all circumstances tending to enrich the subjects, and increase the revenues of Great Britain.

The territorial revenues of India, so far as they can be applied, ought to be employed in doing the greatest possible good to this country; in exporting, on the one hand, such articles as the private trader dare not attempt to do, from the low price such articles bear in India; and on the other, to import such articles of Indian produce as bears the smallest profit in the European market. By these means, flowing from the rich sources of India, would the East India Company produce the greatest possible incitement to reciprocal industry in both countries, the *free trade* would be satisfied, and harmony subsist between all parties; for we mean here to be understood, that as the Company enjoy so considerable a bonus, from the liberality and good will of the nation, they are bound to employ a part of it in such a way as to remunerate the Public for the sacrifices which they make: sacrifices which not only promote the prosperity, but secure the very existence of the East India Company.

It is not, however, our intention to say that the whole burthen of a losing trade should fall on the Company, for that would be a hardship: on the contrary, it will be shewn in another part of the work, that the Company should enjoy the exclusive privilege in several very profitable branches of commerce, the which would prove much more than sufficient indemnity for the loss they might sustain.

The situation of the East India Company, in regard to territorial revenue, ought to be considered in two ways.

First, As a great accessory division of the power of Great Britain, not in the immediate hands of the Executive Government, but subject to control; and as being at all times liable, in cases of necessity, to be called in aid of the Empire at large: from this arrangement the best consequences might be expected to follow; for the patronage of India in the possession of an ill-disposed Minister, would afford means
of

of corruption so extensive, as to endanger the pure spirit of the British Constitution.

Secondly, As the circulating medium for applying the surplus revenue of India the most advantageously to the nation at large, combining at the same time, the prosperity of our valuable Eastern dependencies, and encouraging the trade of those possessions.

Agreeably to these ~~views~~, it would be better to have the management of the revenues of India separated from the national concerns of Great Britain, and conducted too by other hands. Accordingly, the respectability and exalted situation of the East India Company, added to the great share they and their servants abroad have had in the acquisition of the territory, best qualifies, and indeed entitles them to the important trust of interfering in the revenues of our Eastern possessions—Whilst, as a commercial body on a great and liberal scale, they are most proper and fit to remit the surplus to Great Britain.

Upon the whole, it may be prudent and expedient to leave the application of the territorial revenues of India under the management of the East India Company, but subject to wise and salutary control: and we shall close this chapter by referring* to the amount of the territorial revenues at each Presidency, and the annual expences of possession, with the surplus balance after the whole outgoings are discharged.

The recent capture of Seringapatam, and the submission of the whole of the Mysore, which will no doubt be followed up by the fall of the distant dependencies of that kingdom, bid fair to encrease the territorial revenues of the Company. On the probable result,

* Vide the conclusion of Appendix [B].

we shall here only remark, that the revenues of Mysore amounted to nearly three millions sterling *per annum*. But on this important conquest we shall take an opportunity of commenting, in another and more appropriate part of the present work.

C H A P. VII.

OF THE TRADE THAT HAS BEEN DEEMED ILLICIT TRADE,
OF TRADE THAT IS ILLICIT, AND OF FREE TRADE.

BEFORE we begin upon this interesting subject, it becomes necessary to rectify an error, and a very material one, being nothing less than a total misapplication of the term ILLICIT TRADE to India. The public has been led to think, that every English house that is concerned directly or indirectly in trade to India, unless as a Stockholder of the Company, is engaged in what is *illicit* or *unlawful*.

Such an idea is perfectly ridiculous in itself; but, to say the least of it, is inaccurate and ill-founded. It also is very detrimental to many commercial houses; and finally, is very hurtful to the interests of the India Company itself.

Illicit Trade in time of war, and *Illicit Trade* in time of peace, are very different: the former taking in a very wide field; the latter, in comparison, a very narrow one. A trade to France, Holland, Spain, or the country of an enemy, is at this time *illicit in toto*; however carried on, by whom, or whatever the articles of which it consists may be.

A trade carried on to a friendly or neutral country, can only be illicit so far as it militates against some standing law, regulation, or treaty, of one or the other of the countries.

A trade

A trade between any neutral or friendly power and India is *illicit*, or *not illicit*, upon the same general principles. That is to say, trade may, under certain bounds, be carried on with India by *neutral States*, just as LEGALLY and FAIRLY as any other trade, at any other time whatever.

The Charter of the East India Company is, so far as regards the subjects of his Britannic Majesty, a law of the State, so long as it lasts. To go against that is, therefore, ~~to go against the law~~; however, to be convinced that the Charter of the Company is not this complete monopoly, we have but to examine it. [*See the Charter at the end.*] In so important an affair as this, it was necessary to draw a distinct line; accordingly, the law by which this is regulated, says, that *A neutral vessel must be furnished with the passport of its sovereign—A certificate of property—The master shall not belong to a hostile country—The owners of the ship and cargo not subjects of a hostile power; and the bills of lading shall discover the true and lawful owners.*

Wherever such documents are produced, and such things are the fact, the trade is what is called FREE TRADE. Whenever they are not, the trade is called ILLICIT; from which it most plainly follows, that when there are no hostile powers, the *free trade* has a very extensive range; but in time of war that range is more or less circumscribed, according to the number of hostile or neutral powers; but, except as to the extension, the nature of this trade is at all times fundamentally the same.

The privileges of the India Company, as secured to it by its Charter, are very great; but the advantages it possesses from its great credit, its extensive possessions in India, and immediate connection with the British Government, as well as by its extensive shipping interest, are greater still. They indeed originate in the Charter, but form no
part

part of it, though they secure to the Company at all times a great superiority over other companies or individual traders; and if that superiority is lost, it will be by the misconduct of the Company itself.

But the capital of the Company is not equal to the whole trade to India; the engagements it lies under are heavy, and there is an energy in individuals which neither power, nor numbers, nor capital can give, that will make a competition be supported with success; and it is but fair that it should be so; nor is it the intention of other nations, or of this nation, that it should be otherwise; therefore, any thing that may tend to discredit so fair a competition is a real injury to society, and an attack upon the rights of commercial men.

Seeing, as we do, that the English East India Company is not a complete monopoly; but that, by the uncommon circumstances of the times, and the fall of the Dutch and French companies, it is nearly possessed exclusively of the whole commerce of the East, an advantage which its Charter neither gives nor is intended to give; but which, nevertheless, most substantially and truly exists; we must say, that it has very little reason to be jealous of the free trade.

At a time when this Company, then, enjoyed such advantages, *unintended and unexpected*, the few competitors that were left might have expected to be permitted to enjoy in peace their small advantages; and indeed, to do every justice to the Board of Directors and the Company at large, they have not attempted to prevent them; but a member who was elevated to the first place in the Direction, actuated by an over-great and unwise zeal, has made a most unheard of and extraordinary attempt to crush the *fair and free trade*,
and,

and, like unto the king of Israel, coveted the ewe lamb of his neighbour, unmindful of the numerous sheep in his own fold*.

The attack upon the *free trade* was made in as extraordinary a manner as it was in itself singular. The attack was very serious in its nature, and has produced serious consequences to several commercial houses, and never was any charge worded in so LOOSE, VAGUE, INACCURATE, and CARELESS a manner. "The following," says the accuser, "is a list of some of the houses who are EITHER PRINCIPALS OR AGENTS in this ILLICIT TRADE."

Can any thing be more singular than this manner of preferring a charge of a serious nature against some of the parties who were either PRINCIPALS OR AGENTS?—That is to say, a *few* marked men, chosen from a *many*, who are either *guilty* or *innocent*.

It might indeed be to save trouble, that one round dozen were produced, as a specimen of innocent or of guilty men, (just as a Birmingham rider carries a gross of patterns in his saddle-bags,) although it had the unfortunate effect of giving the unlucky gentlemen, so selected as a specimen, a baneful species of preheminance. It is, nay it can be, no matter of doubt, but that those houses were selected *at random out of a great number*, for the Chairman's oath, when chosen, prevents *favour or affection*. Want of consideration,

* General indignation amongst commercial men must be the consequence, and discussions excited that will limit, rather than extend, the privileges of the Company. One might address those who were so busy in this affair as Cominius did the tribunes, who had excited the people to banish Coriolanus from Rome.

Cominius. You have made fine work, you and your cluster—You're goodly things, you voices—You and your crafts, you have crafted it fair—helped to set fire to your own houses, and have the scalding lead upon your own pates, &c.

1st Citizen. When I said banish him, I said it was a pity.

2d Citizen. And so did I.

3d Citizen. And so did I; and so did very many of us—to be sure we did say so—and now we find it so.

however, there certainly was *; for it was preparing a bed of iron for ~~some~~, and leaving others on a bed of roses.

The higher the tower of Siloam was, the heavier did its ruins fall on those below †; but we must still suppose that this was done through zeal, and the enthusiasm of the moment; like a sailor who from the gallery above, in ecstasy with the tune of Rule Britannia, throws down a bottle on the inhabitants of the pit below, without either vengeance or ill intention; but without considering the evil his rash and ill-timed enthusiasm may produce.

No attack could have come from a much higher quarter, consequently none could be much more severely felt. Both prudence and humanity require, that men in exalted stations should consider the weakness of others, and use their great but brief authority with a cautious hand.

It is not indeed very easy to conceive how *principals* or *agents*, could be coupled together in one accusation, for the law about *illicit trade*, and that which distinguishes it from *fair trade*, makes a decided distinction; all the papers and documents required by the fair trader relate to proprietors, principals, the ship and its equipage, but not to agents; who therefore are not at all, nor can by any reasoning be placed in the same situation: the law placing them in one directly different, by mentioning repeatedly the *principals*, but never the *agents*.

The difference between being *principals* or *agents* is equivalent to that of *guilty* from *not guilty*, which it was wonderful a gentleman of known talents could entirely overlook.

* If it was not want of consideration, it was great want of justice, which we cannot suppose.

† The Tower of Siloam did not fall on the most guilty head.

A denunciation worded so loosely did indeed furnish the accuser with great facilities in establishing his charge; for it only went to *say*, that the proscribed twelve were *some* of those who were either *principals* or *agents* in illicit trade: but, unfortunately for himself, this accuser does not succeed in establishing the main fact; for in a court of justice it had been proved that the ship in question was *bought in London for Danish merchants*, navigated with a passport from the *King of Denmark*, and in every respect was so strictly compliant to the law, that the Court of *Manilla* declares—THE SAID SHIP COULD NOT HAVE ARRIVED WITH BETTER PAPERS THAN THOSE SHE HAD PRODUCED.

Those who know any thing of commerce must be sensible, that the credit of a commercial house resembles in delicacy the reputation of a woman—that it is as easily wounded, and that the wound is often equally fatal. A fact is asserted, or even an insinuation made, that the most unspotted character and unblemished conduct can never entirely do away; owing to a propensity among mankind (not indeed very honourable to human nature, but unfortunately very general) to give credit to malignant reports.

As the circumstances of a house having embarked its capital in illicit trade, and that the trade has been discovered, is equal to saying, *that the property of the house is about to be forfeited, or confiscated*, nothing could more effectually take away the credit of a merchant; accordingly we find, that one of the proscribed twelve, though a house long and well established, was brought into such imminent peril by the accusation, that nothing but the real solidity of its capital could have carried it through*. How the others have felt the shock we do not so well know; but, abstracting from the attack on moral character, it must have had some effect on the credit of all,

* Messrs. Minet and Fector, London, and Fector and Minet, of Dover.

until the truth was discovered, and the fairness of the trade in question ascertained.

Although the charge has been completely and satisfactorily done away, the trade being proved to be a fair one ; yet it is of great importance still to consider the difference between being *principals* and being *agents* ; because, even had the trade, upon a strict investigation, proved to be illicit, the agents were not for that culpable ; whereas the principals must have been so ; therefore, in reducing things to their real standard, the vague accusation of being either principal or agent, is like a magistrate committing a man to prison as being the *perpetrator* or *witness* of a murder. The agent acts in a prescribed capacity, according to the orders of others, at the risk of others, and without participating in the fate of the adventure.

It is not our business, nor our intention, to fight the battle of any of the houses that have been named as principals or *agents* in this business ; because we mean to treat the question of *general* and not of *particular* interests : but when it is not possible to treat the general question, without adverting to the individual act, there is no means of avoiding personal discussion.

Great allowances are to be made for zeal in a cause *, particularly when the mind has dwelt for a considerable time on one object ; thus it comes, that with the fairest intentions, incoherent, contradictory,

* It was thus that a merchant at L'Orient in France, who had a good deal of India stock, and was very zealous to prevent illicit trade, (about which he was always talking,) was turned into ridicule in a curious manner. One of the wits of L'Orient, knowing this old gentleman's weak side, went and told him, that the smugglers (*contrebandiers*) had taught sea-gulls and other marine birds to carry small bags of *nutmegs* and cinnamon from the ships, and deposit them on the shore amongst the rocks. The well-known fact of carrying pigeons was adduced as a proof of this *illicit trade* ; and old Monsieur went off post to Paris to solicit an order of council for shooting all the sea-fowl on the coast. The denunciation of this gentleman caused a laugh at the India

and absurd accusations of a wrangling ship's crew, have been received as authentic materials, although the men had arrived at the port with the avowed intention of accusing and criminating each other.

Those who feel for the weakness of human nature will excuse, no doubt, these acts, which arise from an over great zeal, even when they do harm. Unfortunately we live in times when zeal in a good cause has occasioned more mischief than ever was, in a like space of time, produced by the worst intentions. Zeal is like the jaundice, and discolours objects.

Supposing that instead of *vague denunciation*, a REAL charge could have been brought forward, there would, perhaps, even then, have been more wisdom in doing it in a *private and delicate manner*; for the extensive commerce of the East India Company has already excited envy enough, and we have shewn in another place that that envy, when peace comes, will bring on a very serious discussion amongst *nations*; not amongst commercial Companies.

It is impossible that commercial men at large can have seen with indifference, that, under the form of an official report, made by a Director to a public Company, the credit and character of any of them may be wounded with ease and impunity; and in matters of commerce, the opinion of commercial men at large will, in the end, govern that of the public; all which, in this case, must be injurious to the interests of the Company.

What we are here predicting has already begun to take place, though so little time has yet intervened; it will therefore be very

House; the Directors saw the joke, and consequently would not apply to the King and Council; and it was very fortunate for the feathered tribe, their existence did not depend on either *credit* or *character*, so that neither their commerce nor feelings were hurt, and the *ideal illicit trade* went on as usual.

necessary

necessary for the Company to be prepared for, and to anticipate some regulations, that must, sooner or later, be made for the better reconciling their interests with those of the free trader.

To grasp at all, is never wise; to grasp at more than we can hold to the privation of others is never just; and though the honourable Company has not shewn any disposition to second the views of those who seem to wish to get all the trade into its power, yet something more than negative conduct on the part of the Company, would in this case be wise, and may probably will be expected.

Those (and they are the greatest number) who have had no hand in bringing forward this business, will say "that they have nothing to do with it;" and it is true, that if blame does attach, it is not to them; but it is not blame, but *danger* that is the question, and that danger attaches to the Company. If, therefore, the Directors would condescend to enter into the merits of the case, they would probably be inclined to make some sort of compromise with commercial men at large for the injury that a portion of them, and the insult that all of them have sustained.

Whatever comes with the official form of a report to the Court of Directors, founded apparently upon deep enquiry, and from a person occupying so eminent a situation as that of Chairman of the Company, must excite great attention, and at first, whatever its fate may be afterwards, obtain credit. Commercial men have no shield to protect them against such attacks, and have no mode of obtaining redress; it would then accord with the *dignity and justice of the Company* to come to some public resolution, declaring, "that in future, " no such reports shall ever be made in a public manner; and that, " till legal investigation takes place, no publicity shall ever be given " to suspicions entertained against individual traders, either in this
" country

“ country or in any other. That the only mode by which the Com-
 “ pany will oppose FREE TRADE, will be by supplying Europe on
 “ advantageous terms; and the only way they will punish ILLEGAL
 “ TRADE, be by the laws of the country.” This would be a fair
 resolution; it would be noble and generous, as it would be voluntary,
 and is now the only species of *atonement* that can be made to com-
 mercial men at large *.

The forms of business in a great Company require many transactions to be discussed publicly, which in common commercial affairs are only discussed confidentially and in secret; but when a subject is of a delicate nature, and may compromise the credit of individuals, prudence and justice both require that the usual formalities should be dispensed with: for though a Joint Stock Company requires, that in some cases the proprietors at large must, for their own interests, and according to the Charter, be appealed to; yet the *eternal laws of equity*, that are more sacred than any Charter whatever, forbid any Company or set of men, however great, from doing an injury to others with impunity, however much their interests may be connected with it.

A secret committee exists at the India House, for the purpose of conducting such affairs as it would be injurious to the Company to have made public. Now, it is but right, that the affairs of other persons should be as sacred to the Company as their own.

* I use the the word *atonement*, because, even had the illicit trade existed, to say that the twelve houses singled out were some of the illicit traders, implied that there were more, which was both an injury and insult to commercial men in general; besides this, legal proceedings are the only ones that rival traders are permitted against each other in similar cases; for a public report is just as bad, as if one commercial house was to put an advertisement in the newspapers against the credit of another;—though in form it is different, the effect is the same.

Wherever

Wherever laws or regulations exist, these laws should be the guide, and the opinion of twenty-four men, or of twenty-four thousand, will neither alter law nor fact: and as to the searching the truth out, the Secret Committee, with the aid of the Board of Controul, is surely the fittest; therefore necessity cannot, in such cases, be any plea for public discussions of the nature alluded to.

The declaration, therefore, which we point out as fair and reasonable for the Company to make, could never injure it in any case, nor prevent the searching out illicit trade; as neither *voluminous reports, nor long speeches, within the bar nor without the bar*, are of any utility, towards forwarding such enquiries.

In cases like the present, instead of shewing a monopolizing jealousy of all those who participate in the trade to India, the time would be much better bestowed in considering the nature of the case, and what it would be wise in the Company itself to do; but so long as discussions of this kind are carried on with personal animosity; so long as the vessel sails with gusts of side wind, and not with steady and propitious gales, so long must she get out of her course, and endanger the prosperity of the voyage: and the more great questions are agitated on a wrong principle, the worse will the issue be.

An attempt to prove a trade to be illicit, that is in itself regularly carried on according to the rules established by law, must fall back on the heads of those who make it; and it is fair it should, particularly when the jealousy, as we shall soon see, arises from the conduct of the *accusers*, and not of the *accused*.

The real cause of jealousy originates in this, that as the greater part of the investments made in India are done with money that Europeans have gained there, and wish to remit home; and as the Com-

pany, adding a little of the spirit of Asiatic despotism to that of European monopoly, will not give bills on this country, either on advantageous terms or at convenient dates; Europeans, whether the servants of the Company or not, try to procure more favourable terms by other channels; which they do, with some advantage to themselves, and gain to those with whom they negotiate.

From this circumstance, and the laws existing, it happens that a foreign house (a Dane, or Swede) may trade to India with very little advance of capital. It is only necessary to provide a cargo out, which costs generally but little, and furnish their correspondents in India with good bills of exchange on Europe at short dates, and with those bills money enough can be procured in India to pay for all expences of the home investment; and even if 4. or 5 *per cent.* be lost by the rate of exchange, it is not an object to them, because it saves so great an advance of capital.

We must here make a distinction between the trade to India and to any part of Europe, where investments may be made, that is, goods purchased with bills on England to any amount; for in India *money must be found, or it must be sent there.* Now, there is no way of finding money there for bills on England, but by applying to those who have remittances to make; those, therefore, who have sense and liberality enough to give bills on advantageous terms, will pick up the greatest part of the money accumulated there by Europeans; while others, who have not that wisdom and liberality, will be obliged to remit bullion for the excess of the home investment over that sent out.

The India Company grants bills at five hundred and forty-eight days, and frequently renewable during pleasure. Those who have had of those bills know how inconvenient they are, particularly in the time
of

of war, when they cannot be discounted; and as it is to be taken into account that a man who is ready to return home, and employed in gathering together the whole of his fortune, is generally both avaricious and impatient, it is not to be expected that such bills will be much relished; and the fact is, that they are not, and surely it is very justifiable for any man, who wants to remit his fortune home, to do it in the most advantageous way he can.

There is not, it is true, any good criterion by which the amount of money made in India by individuals and remitted annually can be estimated; but there are many great land-marks to go by, all of which prove that the sums are enormous. Whether we look at the immense fortunes of some individuals, and the great number of those persons who return with moderate fortunes, or whether we look at the immense balances due to India in the accounts of every year, we must equally allow private remittances from thence to be great, because money does not accumulate in that country; on the contrary, it is very scarce: therefore it is fair to conclude, that what goes by the public channel, returns, or at least the greater part of it, by private ones.

Another system with respect to bills on England would be the way to profit by these remittances. If the Company were to be guided by a policy similar to that of the Minister when he took off so great a portion of the duty on tea, then it would have less need of capital, and foreign houses would require more to carry on their business. This would be removing the cause, which is the best way of preventing the effect, "*Sublata causa, tollitur effectus*;" for no single power, however great, can with advantage in such a case combat the individuals, who are interested to elude its interference.

It is indeed natural enough for men in authority to take the summary mode of power to remedy the inconveniencies they find themselves

selves lie under, from whatever cause they may arise ; but power will not always succeed ; and though the Company is a very great body, yet individuals will, so long as the British Constitution remains, be able to defend themselves, and therefore a little address would be more efficient than a great exertion of power ; for the further the matter is examined into, the more unjust and inexpedient will it be found to allow the free trade to be crushed, or those who carry it on to be oppressed.

It would be a discussion into which we do not wish to enter, to enquire what farther privileges the subjects of neutral powers would require to have, and what might safely be given them ; but that is not the most material question ; which is : Whether it will not be necessary, and that imperiously so, to give to the SUBJECTS OF HIS MAJESTY, and to ENGLISH HOUSES ESTABLISHED IN LONDON, the same privileges that foreigners enjoy, without which, capital will migrate from this country, and settle in the hands of foreigners.

Here we are led by necessity into a question of general politics, which we cannot pass over, relative to the manner in which capital deserts a country like England.

Capital is employed in various ways. The landed property, and the capital employed in cultivating it, form the greatest portion of the riches of every country. Manufactures, houses, goods in warehouses, and money employed in internal exchange and commerce, employ a considerable portion of the wealth also of every country : a very great proportion of the accumulated wealth of England is in these latter forms.

Two other employments for capital, which are not absolutely necessary, and do not exist in all countries, but which nevertheless are
equally

equally employments for it, are, shipping, and credit given to foreign nations. In England these two last employments are very extensive, and the gain arising therefrom, as it comes from other nations, may be said to aliment, or give nourishment to all the others. Internal trade is but exchange of the produce of one man's labour for that of another; but the commerce with other countries, when carried on advantageously, brings money in, which remains; and such has long been the case with England.

When capital deserts a nation, it is not the capital employed in land, nor in the cultivation of it; neither at the first is it the capital employed in manufactures; but the credits on foreigners go first, and then the active capital that is employed in trading from one country to another.

The uncommon, nay, the unprecedented situation of those houses in England who, precluded from being principals in the trade to India, are obliged to act as agents, will naturally lead them to go to the continent, when this war shall be finished, there to gain as principals with their capital a large profit with safety, instead of remaining here to gain a small profit, and at the risque of having bills of discovery and other vexatious and ruinous proceedings taking place against them.

The great noise that was made some years ago about our manufacturers emigrating with their capitals to America, may perhaps have led people to think, that the apprehension of any species of capital leaving this country is vague and unfounded; but there is, if so, a very great error, for the cases are nowise similar.

In the first place, a manufacturer who emigrates must resolve to sell his stock to a great disadvantage. He never can be certain of

getting workmen where he is going; and lastly, he must begin the world as it were over again, amongst strangers, and in a strange land. In addition to these difficulties which attend every emigration of manufacturers in that particular case of emigrating to America, there were peculiarly great and additional inconveniencies. America is not calculated to be a manufacturing country until agriculture has ceased to drink up all the capital that comes into it, which keeps the interest of money and the wages of labour at an excessive rate, so that the American manufacturer cannot come in competition with the English manufacturer for lowness of price; and if he could, it would be totally impossible to give the same length of credit, without which it would be in vain to come into the market at all *.

It follows from this, that great obstacles were in the way of our manufacturers departing for America, and still greater obstacles when they got there; the emigration could not then be very great, even in the first instance, and could not be of any long continuance; but, in the present instance, the case is totally different. To transfer a counting-house from hence to some place on the continent of Europe, which may be done without any loss, and at a very inconsiderable expence, is all the inconveniency in the first instance; and, as for every thing after, it is advantage, and not loss; and it is moreover advantage that can be easily calculated, and is well assured.

* The Americans get eighteen months credit; and, as money is worth more than 25 *per cent. per annum*, British goods are frequently sold publicly, for ready money, under prime cost, and yet with profit to the importer. As a proof of the value of money there, though a law exists which subjects the drawer of a bill on Europe to a fine of 25 *per cent.* if it is returned protested, yet still there are persons who draw and negotiate such bills, knowing they will come back with the penalty upon them; and many times this is done with advantage, though the bill cannot be expected to be above six months in returning. It would be a better business to buy English goods on credit, and sell them for ready money at half price.—Till this is altered, how can manufactures flourish in America?—Just as grapes do in Scotland,

Unless then the subjects of his Britannic Majesty are put upon a footing with foreigners, such of them as have capital, and are in the India trade, will certainly establish themselves abroad, and England will enjoy the agency with a small profit, while other countries will reap the great advantages that are attached to being principals in so lucrative a branch of trade.

To put this on a right footing is a national object. It is neither for the Directors nor the Stockholders to settle this point, in which the British Government and the British Nation have the greatest stake.

In a state of commercial prosperity like that in which this country is, it is natural to despise dangers, and to say, that those who do not like it may leave it; but we cannot hear such language without considering it as the combined produce of ignorance and vanity; for though it may with propriety be applied to a few malcontents, whose presence will never benefit any country, yet, applied to men who have either capital or industry, it is very ill applied indeed; and when we consider that our great commercial prosperity is the chief support of our immense national expenditure, and that they have very nearly kept pace with each other * (ever since our expenditure became considerable), the smallest falling off is to be considered as a thing to be carefully avoided, and far from thinking we are safe because we are exalted, it may be depended upon that the very reverse is the case.

* In order to see how these have kept pace with each other, see a Chart, published by the Author of this Book, by W. Dickie, Stationer, opposite Exeter Change, in the Strand, and Messrs. Murray and Highley, Fleet Street, from which it will be plainly perceived, that, except during the American War, our exports and revenues have gone very nearly in two parallel lines.

The Dutch furnish us with an example of a nation which, in proportion to its internal strength and riches, carried on a still greater commerce than we do; but from the moment they began to be contented with only being agents, and ceased to be principals, their commercial importance diminished; and though the events that time may bring about are concealed from our view, one of those that we should be the least apt to believe in, is the restoration of its commercial wealth and importance to that once flourishing people.

It is not to be expected that with the intelligence, the spirit of enterprise, and the capital of the present day, one Company can completely monopolize a trade which, as we have already said, has from the earliest ages enriched whole nations. The attempt to do it will most certainly be attended with an abridgment of those privileges which the Company now enjoy; for, powerful as it is, its opponents will rise up in great numbers, and the necessity of the case will oblige ministers to listen to them. Were the sum of £.500,000 a year regularly paid by the Company to Government, perhaps the will of ministers, and the opposition of the many, would be of little avail; but, as things are, the case is very different; for whether the Company has or has not obtained the renewal of its charter on equitable terms, the conditions of the bargain remain equally binding, and the Company is under the necessity, when called upon, either to make the payments due, or shew its incapacity to do so. The first we believe to be difficult; the second might indeed be easy; but would the advantage be great?—No, certainly.—A Company so situated must receive, and not expect to give the law. If, therefore, those who are concerned in the free trade, have interest enough with Ministers to get the matter examined, Ministers have power enough to get their will executed.

I

If

If there is any certain method of curing Fortune of her fickle and capricious whims, it is to be done by moderation in prosperity, and in this case by reconciling the existing advantages of the Company with the advantages longed for, and looked for by the free trader ; the mode of doing which, we shall point out in the following Chapter, in which the interests of both will be fairly discussed.

CHAP. VIII.

PLAN FOR RECONCILING THE INTEREST OF THE EAST INDIA COMPANY WITH THOSE OF FREE TRADERS, AND FOR AMELIORATING THE SITUATION OF BOTH.

WE now proceed to enquire into the means by which our commerce with India may be managed in such a manner as to afford the greatest advantage to British subjects, whether in a corporate or individual capacity, and the highest possible revenue to the nation.

After all that has been urged by different authors against general and unlimited monopolies, it must be allowed, that a Company sanctioned by the Legislature for a period of two hundred years, and from that length of time, involving a chain of connections and dependencies not easily to be broken, could not at once be entirely done away, even were the period arrived, when its Charter shall legally expire. Time only can alleviate and finally remove ills that admit not of an immediate cure.

For the sake of avoiding all convulsion, and hazard of convulsion, by too rapid innovation, it would be more expedient to change our mode of trading to India by degrees, not to abandon the present mode, but gently to transmute it into another and a happier form;
and

in the progression towards that form, neither to make use of amputation, nor violent phlebotomy, but to imitate that alterative process which is carried on with so much felicity in the metamorphoses, and the whole economy of nature. It is on this principle that we proceed, while we attempt to reconcile, in the best manner we can, the discordant interests of all the parties concerned in the British commerce with India.

The utility of commerce to great Britain consists chiefly in supporting and extending the manufactures of the nation, and in employing a variety of shipping in importing raw materials to be wrought by the industrious part of the inhabitants, and afterwards re-exported to all the quarters of the globe. Our first attention should no doubt be directed to the manufacture of the staples of our own country. But after this branch of business is carried to the greatest perfection of which it is capable, let all possible encouragement be given to the produce of our own colonies or other dependencies. What a source of advantage to Great Britain! that her shipping, with a certain profit for the risk, can, from the distance of twelve thousand miles, bring home a raw commodity, not the staple of this country, to be here manufactured to a certain second profit, and afterwards re-exported on British bottoms to pay for more of the same raw materials, that it may undergo a similar process through the industry of British manufactures, and, by their exertions become an addition to the public revenue. By these criteria, by this standard, we are to estimate the comparative merit of all the different species of commerce. Whatever kind of trade tends most to promote the manufacture of the staples of the mother country, and, next to the manufacture of these, that of colonial produce, or the produce of other dependencies, is the trade to be deemed of the greatest importance, and ought to be most encouraged. This is a trade which can
never

never be carried too far, while there remain hands to be employed, and wants, both private and public, to be satisfied : so long as it cannot be said either that the State is too populous, individuals too happy, or the government too powerful. On the other hand, if you wish to render the people poor and comfortless, to depopulate and impoverish a state or kingdom, you have only to fall upon ways and means to give a check to manufactures and agriculture, and to make the people idle. Want of employment furnishes a ready apology even for irregularity and a propensity to vice. Idleness, irregularity, and vice, enervate and corrupt a nation, and that nation cannot long flourish when it wants both industry and martial virtue, nor can it maintain its political dependance. It is on every account, therefore, the duty of legislators to encourage and give free and unbounded scope to agriculture, manufactures, and commerce, as the surest means of preventing idleness, maintaining habits of industry and laudable activity, and rendering a nation populous, powerful, and prosperous. But, as has already been observed, for the sake of avoiding all convulsion, and hazard of convulsion, by too rapid revolution, it is expedient to change the mode of trading to India only by degrees. It therefore becomes an object of solicitude to devise the most prudent and efficacious means for raising the greatest mass and fermentation of industry by the reciprocal action of exported manufactures and imported materials only, as may consist with those regards, which, in the grand hinge on which every measure in a free government ought to turn, as well as in sound policy we must pay to the present East India Company. In other words, it will become the grand aim of the circumspect politician, to reconcile as much as possible the public good and the interests of the great commercial bodies in these kingdoms, with the existence and considerable advantages too, of the existing East India Company, by granting to those commercial bodies such a participation in the East India trade, as ought

in all reason to satisfy them; and at the same time, by an increased and increasing outlet to manufactures, yield an increased and increasing revenue to the public. It is in this manner alone; it is by progressive industry, population, and a consequent and gradual depreciation in the value of money, that our national debt is to be sustained and in the end virtually diminished.

In forming such arrangements as may be conducive to the accomplishment of this grand but complicated object, it should be held as a fundamental and previous maxim, that no partial preference is to be shewn to our settlements in the West over our settlements in the East. India, placed in the same degree of relationship to this country as our possessions across the Atlantic, and promising more plentiful returns, ought at least to be favoured with equal protection and privileges. Nay, we might go farther, and contend, that in stead of cramping our East India commerce by any partial restrictions; the distance of India from Great Britain, added to the great freight and insurance, entitle that branch of trade to peculiar indulgence and protection.

In order to prove, that it is possible to convert the raw staples of India into the greatest advantages to this country; it may be observed, as has been already hinted, that in many gross and bulky articles, those best promoters of shipping and naval exertion, the profit would be great, even without taking into the account the increase of manufactures, by refining and working up the imported materials, which would afterwards be re-exported with a certain assurance of an advance on the last price. For instance, in the article of sugar, a vessel of 500 tons burthen is employed to bring home a cargo of soft sugars of Bengal.

Five hundred tons of soft sugars of Bengal, at £.20 sterling <i>per</i> ton allowing for shipping, charges, costs, &c.	£.10,000
Insurance out of Bengal river, at 8 <i>per cent.</i>	800
	<hr/> £.10,800
Price of five hundred tons of Bengal sugar at the home market, at £.4 <i>per</i> cwt.	40,000
	<hr/> £.29,200

From this calculation there remains £.29,200 to answer for freight and duties. Out of this Government would receive upwards of £.15,000, at the rate of £.37, 16 *per cent.*; £.6000 would remain for freight at £.12 *per* ton; and the sum of £.8200 to answer profit and all contingencies of wastage, brokerage, &c. &c.

The importation of hemp, cotton, hides, skins, salt petre, and many other articles, the produce of India would in like manner tend to encourage many of our manufactures. Besides the advantages to be derived from this commerce, it is to be supposed, that there is not any vessel that would sail from England entirely in ballast. The vessels destined for India would surely export some part of the manufactures of this kingdom. Nay, the legislature might stipulate that any vessel clearing from the Custom House with a view to perform an India voyage, should be obliged to export a certain quantity of British manufactures, in proportion to the tonnage of the vessel to be employed. It will readily occur, that in the navigation of the Hoogley, which is extremely dangerous and difficult of access, especially to ships of large burthen, a preference should be given to such as do not exceed 500 tons burthen. As vessels of this size may take in their cargo at Calcutta, and thereby save the risk and

and expence which is commonly incurred by loading lower down the river.

As the profit to be derived from the importation of soft sugar from Bengal is very great, and that there is no want of that article *, a question naturally arises, why this trade has been so long overlooked and neglected.

The East India Company, till of late years, did not turn their thoughts to the exploration of new channels of trade ; what has been discovered has been found out by individual and by foreign traders. But it was impossible that such individual traders could turn the sugar trade to any account, as, previously to the renewal of the Charter, they could only carry it on in the Company's shipping at an enormous freightage, and that only when the Company pleased. The Company, when, for want of homeward bound investments of their own, they sold their extra tonnage to individuals, charged them, instead of seven or eight, at the rate of £.28 *per ton*. Besides this, the private adventurer, on the arrival of his sugars in England, has to pay no less than £37. 16s. 3d. *per cent.* when the West India merchant, for the same commodity, of the same quality, is charged by government no more than £.15 *per ton*, or at the recent rate of West India Muscavado sugars £.4 *per cwt.* £.18 15s. *per cent.* A glaring instance of preference given to the West India Merchants. In the article of sugar we are liable to be underfold at every foreign market ; and an Englishman has to pay at a much higher rate for the pro-

* Mr. Law, whose authority will not be doubted, observes, as a proof how fit that country is for the production of the sugar cane, that in the course of his travels he had seen above 50,000 acres of sugar plantations. The soil of the province of Oude is particularly favourable to the growth of sugar, and may be employed in the cultivation of that article to any extent.

duce of our colonies and dependencies than the greatest aliens. The freight from Jamaica on sugar, in time of peace, is 4*s.* *per* cwt. of 112lb. or £.4 *per* ton, while that from all the other islands composing our Western Colonies is only 3*s.* 6*d.* The insurance out of Bengal river is from 7 to 8 *per cent.* while that of a West India voyage is only £4. These discouragements would effectually prevent every effort towards the culture of sugar in Bengal, if they were not counteracted by the low price of labour in that country, arising from cheapness of provision and the benignity of the climate, which requires only a few and slight clothes.

In this statement I have omitted the drawback allowed on the exportation of sugars, which, on West India sugar is equal to the duty, or £.15 *per* ton; but which, on East India sugar is £1. 15*s.* less than the duty, and that after a great loss has been sustained by wastage in the long voyage.

These considerations evince the propriety of lowering the duties on Bengal sugar, and allowing every subject of the British Empire to import it freely and without restriction. What has been observed on the article of sugar is equally applicable to that of indigo. There are not at present any means by which an English planter in India can forward this valuable commodity to Britain, that are not fettered by such imposts as amount almost to a prohibition. Now to whose benefit do those discouragements, which press so hard on the Bengal planter, tend? Plainly to the benefit of foreigners. The French, the Spaniards, as producers of the article; the Americans, the Swedes, the Danes, the Dutch, as importers and carriers. All these, and other nations, have an interest in opposing the culture of indigo in Bengal. The French, the Spaniards, and the Americans used to export their indigo duty free; while the indigo manufactured in Bengal is liable to a duty of 5 *per cent.* besides 2 *per cent.* for warehouse rent.

This.

This is bad enough ; but what is still worse, the East India Company have the sole management of this article of trade, from the time of its being shipped in Bengal to that of its sale in England. For an indigo planter in Bengal has no other means of bringing his article into the circulation of commerce, than the mode established by the late Act of Parliament for the renewal of the Charter, and which has by no means given the satisfaction expected from it.

To the burthens we have mentioned is to be added insurance at 7 or 8 *per cent.* with the loss of interest for the time necessary to be employed in remitting the curtailed balance to Calcutta.

In Bengal all possible encouragement should be shewn to the cultivation of indigo, particularly in the province of Oude, whose soil and climate are admirably suited to the production of that article. Take off the present unprofitable duties, and liberally grant a premium on Bengal indigo at 6*d.* *per* pound, being the same that is given to indigo produced in our West India settlements : above all, let it be imported to Great Britain ; and by that means deliver the fair trader and the people at large, from all idea of coercion or restriction.

Let it be free to the merchants and to every trading body in Great Britain, to export, on payment of the established duties, whatever manufactures they shall think proper, or whatever may be the produce of these kingdoms. As returning cargoes allow the importation of sugar, indigo, rice, wheat, cotton, hides, tobacco, arrack, rum, saltpetre, drugs, gums, cassia, blue goods for the West India and African market, coarse cloths, black wood, skins of various kinds, hemp, pearls, diamonds, India coffee, cocoa, Caramanian wool, in short, every article or commodity that may be deemed marketable. Excepting such as may be judged necessary for the exclusive trade to be
pre-

preserved to the East India Company, or such in general as may be prohibited by the laws of England.

Candid and enlightened minds, of which no doubt there are many, who have an interest in the prosperity of the East India Company, when they view and fully comprehend the general system, of which it is proposed that those regulations respecting private trade to India shall form a part, will allow that, if the common interests of the empire have been principally consulted, those of the present Company have not been forgotten. And it will be found, that the system in contemplation has a natural and direct tendency to unite the particular and private advantage of the proprietors of East India Stock with public utility and national prosperity and grandeur. It is not by any means proposed, as has been already again and again declared, to injure the interests of the East India Company, but to continue their trade, under certain conditions and restrictions, which they themselves shall approve, a measure which will tend to prolong the existence of the Company.

We now, therefore, come to that part of the plan in contemplation which is absolutely necessary in order to put the East India Company in a train for conducting their affairs with advantage to themselves, as well as benefit to the public.

The Company to possess solely the exclusive right to the trade with China in teas, raw silk, and nankeen; which, as is clearly demonstrable from the Company's books, is the only trade beyond the Cape that has been for many years a source of actual profit to them, and that particularly in the article of tea; or the difference between the price of tea in China and that paid at the Company's sales in London.

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The Company to have a contract for all the opium produced in Bengal and our other provinces in India, after leaving what may be demanded by the internal consumption of the country, at a fair price.

The Company, in like manner, and under the like restriction, to have the exclusive right of supplying Great Britain with coffee from Mocha.

The Company to possess, as far as is in the power of Government to grant them, and the means will be pointed out by and by, an exclusive monopoly (under the above-mentioned limitation in the articles of opium, tea, and coffee) of pepper, cardamoms, and sandal wood, on the coast of Malabar and elsewhere in India, under the protection or influence of the British Government.

The Company to possess an exclusive right of transporting in their ships light woollens for clothing the native troops in our service, broad cloth for the Europeans and the native officers, hats, &c. ; for which they should be paid at the advanced price of £.50 *per cent.* on the original invoice.

Arms, accoutrements, guns, cordage, stores, and provisions for the use of his Majesty's navy and army, to be transported on Company's ships at the freight of £.12 *per ton* ; recruits, or drafts for the European regiments, to be paid for at a reasonable rate, hereafter to be fixed.

And, as a very particular encouragement, the Company should continue to enjoy the profitable privilege of being the medium for remitting the annual surplus revenue of India.

When the question is put, as matters now stand, What becomes of the surplus revenue of India ? it is answered, that it makes its way,

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and enriches the country, by enriching individuals. It is scattered, it is said, like a refreshing stream, divided into a thousand rills throughout the empire, and exhaled by the action of Government in the form of taxes, to be employed for the security of the state, and its farther advancement in the career of national wealth and greatness. This circuitous mode of applying the wealth of India to the exigencies of Britain by political evaporation is, however, not to be compared with its direct influx into the treasury of the Company. Thus it would find its way, with the greatest facility, into the general mass of industry. Let the nourishment, agreeably to the process of nature, be circulated, by means of the head, throughout the whole body; let the genial showers fall on earth from Heaven.

In order to bring about this good and great end, the East India Company should appropriate whatever monies they may receive out of the treasury in India to the purchase of certain staple commodities of that country, the most fit and proper for the encouragement of the manufacturing part of this kingdom.

After this manner is the whole amount of every saving and surplus of revenue, after payment of the necessary expences, to be remitted to the actual possession of the country. Nor is the safe and neat remittances of the surplus revenue of India, nor the increase of manufactures, the only advantages to be derived from the importation of raw materials from that country. The Company and their commercial conduct would thereby be brought immediately under the eye of the Board of Controul, and afterwards by Parliament. Thus, too, there is a greater check on the management of our governments in India than could be had in the mode of remittance by private bills, where no such interference, either on the part of the Board of Controul, or of Parliament, can be applied with effect.

We shall now proceed to state the reasons that justify a monopoly in the hands of a great corporate body of the several articles above-mentioned.

Opium.—A trade in this article is to be carried on with national advantage as a monopoly only, and that in the hands of a great commercial body; because, if the trade in that valuable article should be frittered away among private merchants, the benefit thereof would be lost, through the privilege they possess, and would naturally occasion the underselling each other at all Eastern markets. It may be asserted that opium in China is contraband; but the testimony of every commander of a ship in the China trade will evince, that opium is now publicly landed in the Chinese ports at noon day, without interruption. A commercial treaty, however, could it be effected, would at once bring this matter to a certain issue.

With regard to Pepper, Sandal Wood, and Cardamoms, on the coast of Malabar, the trade in those articles was, before the late war, for the most part, in the hands of the French at Mahè, and some other places, and renegado English and Irishmen, and other smugglers. On the return of peace, it is probable that foreign factories may be again established, when the same thing will happen anew. On this ground we establish the propriety of granting to the East India Company a monopoly of the trade on the coast of Malabar in pepper, cardamoms, and sandal wood. There were formerly on the Malabar coast several foreign factories, resorted to by the lowest order of people who assume the character of merchants, but who in fact

tion of a foreign flag, to enter the harbours, rivers, and roads of Tippoo, and the re-purchase, at a low rate, every article of trade, but particularly the Sircar rice *, and that at a time when it was daily expected that our western army was on the point of moving, in order to secure the granaries of the enemy. The suspicion of this movement made the inhabitants double their diligence; and so effectually did they, with the assistance of foreign ships, glean the harvest, that not an ounce of rice, pepper, or any other commodity, was left on the coast, from Tellicherry to Goa.

By consolidating this trade in the hands of the Company, a stop will be put to the intrigues of REAL ILLICIT TRADERS, as well as to smuggling, whose object is to undermine and destroy the Company, and a source will be opened to that body of great commercial advantage. On the other hand, there would be plenty left for the enterprize and industry of the FREE TRADER, whose interest it would be to assist and support the East India Company. Regarding the advantages to be derived from the Malabar trade, we shall here make a few observations.—The homeward investments from China cost the present Company a very considerable sum which sum is principally made up in cash from Bengal, bullion from Europe, and bills drawn at a high exchange on the Court of Directors, and a very small proportion of the manufactures of Great Britain; scarcely deserving of notice. This drain of cash has considerably reduced the current specie of India, and in a few years must affect it still more sensibly. It would, therefore, be gaining a considerable advantage, if, by means of a commercial treaty this evil could be averted, and it should be the aim of any person employed in forming a commercial treaty with China, to have regular duties established on the different articles of trade in place of the present mode of assessing ships in the bulk, which opens a door for various

* The tribute paid in kind, by the husbandmen to their princes, or the grain purchased for the use of Government.

artifice and malversation; or in the ordinary course of trade, an annual exportation of cash could be saved to the nation, by an agreement on the part of the Chinese, in exchange for their teas and other commodities and manufactures, to receive in return, at least to a certain extent, the staples of India. Now pepper, sandal wood, and cardamoms, are articles in great request in China; and with these the East India Company, by means of the Malabar monopoly, could furnish that country to a very large amount.

Having thus touched on the expediency of supporting and assisting the East India Company, but at the same time encouraging free trade to a very considerable extent with the British settlements in that country;—having pointed out the privileges to which the monopoly might be confined, with reasons for granting those privileges rather than others, we proceed to make some farther observations, that may serve not only to justify the system we have laid down, but also enable us to enter on measures for carrying it into execution.

It is universally known that opium, from its quality, is an indispensable luxury in the East, and particularly in the countries to the eastward of India. A treaty of commerce respecting opium might therefore be attempted in the first instance, and improved into the comprehension of other articles afterwards. Opium and cotton, with some of our English manufactures, might doubtless form the basis of a commercial treaty with the Chinese, and be the means of preventing heavy drains of specie, both from Britain and India. I cannot exactly say what may be the annual produce in opium of the provinces, inclusive of Oude; something, we should suppose, near 6,000 chests; of which China will require 2,000: but, by extending proper encouragement to the Ryots*, for the cultivation of poppy, the annual amount of that valuable article may be considerably more.

* Husbandmen or farmers.

The value of 6,000 chests, at 560 current rupees *per* chest, equal to 3,360,000 rupees.

The annual consumption or demand for opium, besides a large quantity consumed at home, is as follows :

Malacca, .	-	-	-	-	1,200
China,	-	-	-	-	2,000
Batavia,	-	-	-	-	1,800
West Coast,	-	-	-	-	600
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					5,600 Chests.

We are not bound by any ties to afford the people of those parts so valuable an article without ample compensation. . But supposing the Company to charge only the medium price of 60 *per cent.* an advance which every private trader has hitherto exacted, and perhaps more, the profit to be gained will amount to no less a sum than 2,016,000 current rupees. What commerce in the world can surpass this? What more productive, or more proper for laying the foundation of a great monopoly? And when we consider that our India colonies afford opium, cotton, cassia, shark's fins, birds' nests, and many other commodities, we may presume that the Company would have but little trouble in procuring a homeward investment.

A commercial treaty, as already observed, would tend very considerably to encrease the demand for our manufactures of woollen cloth, jewellery, hardware, and tin. Now the Company would share in this encreasing trade equally with individual traders. In this point of view, their prospects would be unbounded, and their commercial success would be in proportion to the propriety of their commercial economy. The manufactures of Great Britain and Ireland might be diffused over the vast continent of Malacca, the islands of Sumatra,

Sumatra, Borneo, and Java, and even as far as the latitude of Japan. The trade of the East India Company has never been carried to this extent, nor have individuals been able to overcome certain difficulties which discourage this extensive traffic. These difficulties being overcome by the superior capitals and faculties of the Company, private traders might come in, on paying a certain allowance for expences incurred by the Company, for a share in that trade afterwards. A very considerable advantage would accrue to the Company, provided that they should be careful to maintain punctuality and good faith, by the sums annually remitted, not only by the servants of the East India Company, but by others not immediately concerned in trade; many of whom would willingly pay in their money to the Company's treasury at a very moderate exchange, in order to have a certainty of being reimbursed in Great Britain, without being subjected to the various fluctuations and uncertainties of commerce. So great sacrifices being made by the nation to the East India Company, it would become the interest of the Company to cultivate those exclusive privileges to the utmost of their power, and particularly by all practicable means to encourage the manufactures of their country. A chartered Company, with a monopoly, should, in order to make that monopoly a national advantage, sell articles of exportation cheaper than individual adventurers can afford to sell them, which would be a stimulus to our home manufacturers, while means may be devised for reconciling the prolonged existence of the Company, with the interest of the country at large.

A certain portion of the East India commerce conceded to the public, with the public advantages to be derived from a great Joint Stock Company, will compensate the sacrifice that is made of individual claims to the privileges of immense monopoly. It is on this general ground that we proceed in the whole of these observations.

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The commerce between Great Britain and Asia may be augmented *ad infinitum*: and it is only to be confined by impolitic regulations, and particularly, impolitic prohibitions. It is entirely the fault of the Legislature, and not any want of enterprize in the people, that our trade with the East has not by this time been more than doubled; for it is certain that the inhabitants of that part of the world would be inclined to deal largely in the produce and manufactures of Great Britain; and where cash is wanting they have abundance of valuable Staples to barter for our commodities. If the mercantile genius of the nation had full scope, what commerce might not be carried on in the exports of slight woollens, hardware, guns, especially those of a small calibre, muskets, military stores, and ammunition, anchors of different sizes, &c. &c. &c. and the imports of raw silk, indigo, Bengal sugar, saltpetre, &c. &c. The exclusive Charter which prevents British adventurers from trading in those and other articles to the eastward of the Cape of Good Hope, is of infinite hurt to the British manufacturers as well as traders. It is of hurt also to land-proprietors, whose property rises or falls with flourishing or fading commerce. Instead of the British manufacturer being able to offer his commodities at the first market, by embarking them at an English port directly for their place of destination, the private trader of India has to purchase them of the India Company at a certain advance on their price; which advance cannot be a small one. And, still farther, this trader has afterwards to make a considerable profit himself from the commodity.

I have above alluded to certain difficulties which discourage the British trade in certain parts of Asia. The principal of these are, the uncertainty of commerce to the eastward of Acheen; the cruelty and artifice of the natives; and the policy of the Dutch in their endeavour to retain in their own hands the exclusive property of all the spice and other valuable productions of those parts, by instilling into
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the minds of the natives, prejudices against all other nations. It might not be improper that a frigate should be continually stationed in the straits of Malacca, for the purpose of cruizing to the eastward of China: while a man of experience, abilities, and address, should be employed in conciliating the minds of the people, and opening a trade between them and the subjects of Great Britain.

The monopoly of opium, as already observed, would give the East India Company superior advantages to those of private adventurers in regard to other articles of commerce. In the prosecution of this commerce it is to be considered, how far the trade in the Eastern Seas, or the seas to the eastward of Acheen, might with advantage be conducted, a-part, or as a distinct branch, or rather stage, of commerce from that to the westward, by means of small vessels, fitted out from some convenient port situated in the straits of Malacca. These small vessels could receive on board the opium and other articles of merchandize brought from India on the Company's large chartered ships, in their way to China. They would also receive the manufactures of Great Britain carried by ships directly from thence, and in return for those articles of British and India commerce, collect various staples and other commodities either for the China or home market. Many advantageous situations might be found where a settlement might be formed in the Straits of Malacca, or towards the empire of China. The Prince of Tringanny would be happy to receive an English resident, and to afford all aid in his power for the promotion of our commerce. The river there is commodious for shipping, and the situation in all respects eligible. Two thousand candies of pepper could be annually exchanged in the Tringanny country alone, for the manufactures and produce of India and Great Britain.

The island of Penang, or, as it is now named, the Prince of Wales's Island, granted from the King of Quila, a considerable continental power, has been for some time occupied by a detachment of troops from Bengal. The purpose to be answered by this settlement was to provide a harbour of safety for our shipping, where they might procure water and refreshments, and repair any damage sustained in the neighbourhood of the Straits of Malacca. It was farther intended as a depôt, or emporium for the commerce of the Straits, and much benefit was expected to arise from this establishment to the East India Company. As it is unquestionably possessed of the greatest natural advantages, it has risen to be a place of considerable trade; but this trade is confined to individual merchants, and the Company derive not any particular benefit from it, although they are at the expence of the garrison. But, surely, Prince's Island, if the original objects for which it was taken possession of were kept steadily in view, might be turned to good account to the East India Company, as well as private traders. In the present situation and circumstances of this little island, we have a lively example of the alacrity with which individuals concerned in trade seize and improve advantages.

It is also to be observed, that the Prince of Wales's Island is almost entirely covered with excellent timber, and that the contiguous shores yield abundance of teak * for ship-building. It would be a speculation worthy of our Government in India, and of so great a body as the East India Company, to erect saw mills on the streams that intersect this island, which would furnish, at a cheap rate, timber of all kinds, both for his Majesty's and the Company's ships, *and those*

* This timber is superior to oak for the purposes of the dock-yard. There are many instances in India of ships constructed with teak lasting forty years and upwards. The benefit which attention and care may constantly ensure to the British Navy in this respect, from the conquest of Tippoo Sultan's dominions, are very great, and ought to be minutely attended to.

also of individuals *. The plans of these mills, and iron materials for erecting them (as they are to the West India Islands), must be sent from this country, under the direction of expert mechanics, provided with a sufficient number of good workmen.

Taking hold then of the advantages of the country, and endeavouring to profit the most that we can from the present circumstances, as well as the permanent nature of things, we are inclined to propose, that the trade to India should be shared with the British free trader on principles somewhat like those that follow.

Having already considered the FREE TRADE, both as it relates to the interests of the country at large, and those of the India Company; and having insisted much upon the necessity, at all events, of putting British subjects on the same footing with the subjects of friendly or neutral powers, it may naturally be expected, that the regulations or privileges to which we allude should be specifically pointed out.

It is impossible for those who are not actually concerned in the trade, to enter into all the minutiae or details of the business, and we do not profess to do so; but rather to obtain general conclusions from the general outline and nature of things.

We have already proved, that a very large portion of capital will leave this kingdom, and be employed on the continent, unless *British* subjects, *British* ships, and *British* capital, are put at least on an equal footing with those of neutral nations in trading to India. We have likewise proved, that the Company itself would derive benefit from such a regulation; but not to go over that ground again, we are supported in the argument by the generally received axiom, "that

no individual traders would tend to conciliate and harmonize the
those of the free trader.

where a better market may be found; because individuals acting without concert, and at such a distance, may glut one market, and leave another destitute *. It would be absurd to enlarge on the expediency of so evidently advantageous an arrangement; and it is difficult to comprehend how or wherefore it is as yet a question, whether such transactions are fair or not.

The India Company reserves to itself the exclusive commerce, in certain articles†; therefore, though the Company should be rigorously severe in preventing others from trading in such articles, every facility possible should be given to those who trade in other branches, as all the inconveniences, that the merchant is liable to fall ultimately on the consumer, that is to say, on the public at large; therefore, in the case of the trade with China, it would be expedient to permit a certain number of free traders to reside during the whole of the year, a privilege now only enjoyed by the servants of the Company. Let every possible means be taken to prevent the free trader from meddling with the articles reserved for the Company, but allow him to carry on his own trade with all the advantages that are possible.

In general terms, but in those we must speak with conviction, British subjects should be put on the same footing with the subjects of neutral powers; and all those who trade to India should be freed from every restraint that is not in itself essentially necessary, for the reason we have given, that any disadvantage falls ultimately on the Public.

* To illustrate this by a familiar example, let us consider how it would be if those persons who cannot get admittance at one of our theatres were not allowed to go to the other for that evening. As they arrive without having concerted the matter, one would often be crowded, and the other nearly empty.

† Tea, China raw silk, and nankeens, are the articles reserved exclusively for the Company, by the late regulations of Lord Mornington.

C H A P.

C H A P. IX.

OF THE SHIPPING INTEREST—CAPE OF GOOD HOPE—COMPARISON BETWEEN THE VALUE OF TERRITORY IN INDIA AND COMMERCE TO IT—RECAPITULATION—AND CONCLUSION.

WHEN a question is very intricate, and involves a great variety of different interests, the most unerring rule in attaining a just conclusion is, to take a general view, and be guided by some leading circumstances which are not of a dubious nature, and such as appear of sufficient importance to overbalance those that are.

The question between the Old Shipping Interest and the New is one of this sort. It would be easy to write a volume in favour of either, and support either with good plausible argument. Indeed this has actually been done, both in pamphlets and speeches: but the question is not the nearer a decision on that account.

The old shipping interest has in fact, however, only two arguments in favour of its claims. The first is, that the Company are likely to be better served by them at high prices than by other builders at a cheaper rate. The next is, that they have expended great sums to establish the business on a respectable and proper footing.

The first of these reasons has the most weight; and, indeed, it would be a little extraordinary if men so zealous for the interests of the

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the Company, and who have expended such sums to accommodate it, could not, at a *high price*, build better ships than other builders at a *low one*. It will not, therefore, be necessary to dispute their ability to do it, but their will may admit of some little question; because men disposed to do their best, and who have got superior preparations and conveniences for ship-building, need not be afraid of competition, which can only be dangerous to such persons, in so far as their profits are above the common standard; for the Company never proposed to take ships that had not been examined and approved of by surveyors of their own appointment. Unless we suppose the new ship owners to be extremely generous or imprudent, they will not give better ships than they can afford at the price agreed for; and indeed if they should be so generous, it would be so expensive an experiment, that it would not last long; and the old prudent, honest owners would soon be employed again as usual.

The case is in this as in almost every thing else, that where there is no rivalry there is neither cheapness nor perfection; and the wisest way for the Company to do, would be to encourage competition; but in so doing, rather to prefer the goodness of ships to cheapness of price. As to not admitting any participation, it would be absurd in the extreme; it would be opening a door for very great imposition; and, what is still more, would not be fair: for there is no article of Charter that gives the Directors, or Stockholders, a right to fill the pockets of any one set of men at the expence of the Proprietors, or of the Nation; on the contrary, they are very strictly bound to administer the affairs committed to their care with economy and fidelity, and without favour or affection.

The zeal of the old ship owners and their friends would require great ingenuity to support the opinion, that competition prevents people from being well served; because in every case
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those are best served who encourage competition, taking at the same time measures not to be imposed upon in the quality of the thing to be purchased, and taking care also not to let avarice get the better of wisdom, by pushing the rivalry to too great a length.

The argument of gratitude is of all others the most absurd. Men who have been all their days wallowing in riches obtained by this branch of business, who have realized great fortunes by it, exclaim against the Company, for allowing others to compete with them, without once considering, that if what they assert is true, viz. that they have laid out much money in order to build the ships well and conveniently, they may easily, in consequence of that circumstance, have the preference, if they will be contented with the common profits of business.

Another thing that makes it absurd to put in this plea is, that the Company has been long established, it was not formed yesterday; and the most ingenious men of the age, whatever invention they may produce, are considered as sufficiently rewarded by an exclusive privilege for a limited time, founded upon the belief, that if in fourteen years a man cannot be rewarded for his outlay of capital, and trouble, he never will be rewarded at all; and indeed there is nothing more certain, than that the ship builders have been doubly and trebly rewarded for the money they have laid out long ago. All that the old ship owners can demand is, that others shall have no preference over them; but this modest demand they never will need to make, for it would be absurd to think that the Directors could do so unfair a thing.

The rights, as they are termed, of the old ship owners, are then supported but by very slender arguments; but their opponents have a better ground to go upon, for, in common with all his Majesty's
subjects,

subjects, they may claim a right upon equal terms of having a share of the business of any public company. In common with all their fellow-subjects, they may likewise say, that the Company has no right, by paying an exorbitant price (and every price is exorbitant that is more than is necessary) to any set of men, to diminish the advantages that would be derived to the country from that branch of commerce for which it was established.

It is the bounden duty of the Company to supply this Country with Asiatic produce at a reasonable rate; and whatever profits arise from the trade are either to be employed in paying the dividends of Stockholders, or the debts of the Company, or paying the £.500,000 to the Nation. Were all the debts paid (including that annual one to the Country), still the Company would not have a right to pay dearer for any article than the price at which it can fairly be obtained; but, as the case now stands, it is still more clear, and every unnecessary expence is injurious to the Public, inasmuch as it ought to participate in the gain arising from the Commerce with India.

The best way, then, for the Proprietors of India Stock, relative to this point, is to determine for the future to hear no long arguments on the subject, but let those who can serve the Company on the best terms have the preference; only with proper precautions taken as to the quality and goodness of the ships, for if twenty years were employed in debating the subject, to this small compass must the question come at last.

Amongst the important discussions that await the Affairs of India, that relative to the Cape of Good Hope is of the first importance; but there would be an impropriety in saying at this time all that might be said on the subject.

Into whose possession it is to go, or whether to remain in ours, is a question which does not come within the limits of this Work, for it is evidently a matter that will depend upon the general situation of Europe at the peace, and not on the will of any one nation : besides, much will naturally depend on the state in which the Government of Holland shall be at that time. It is not, however, of so much importance to whom that half-way station between Europe and Asia is to belong, as the use to be made of it.

It would evidently be for the advantage of the East India Company, to have it made a free port for the ships of all nations, because then those jealousies that threaten our trade would be allayed, the English would have almost the whole of the trade from India to the Cape, while the ships of other nations would seldom go beyond that station, provided the warehouses there were kept properly stocked.

The reasons for thinking that the English would enjoy the principal commerce are many. In the first place, we have it at present, and therefore have an advantage over all others. Our territory and present establishments in Asia, our superior capital, and in general those other circumstances which make commerce flourish so highly amongst us, would serve us in this *great* and distant trade. Nations with less capital will always find it convenient to avoid competition in a branch of trade that requires a long voyage and a slow return ; therefore, if by having warehouses well stocked at the Cape we could supply foreigners reasonably, there would be no doubt that they would readily embrace that occasion of shortening their voyages.

We must repeat here, and with some degree of regret, that there are strong reasons for not touching upon some parts of this subject, and therefore we shall confine ourselves merely to observing, that if
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the Cape remains to us, the best use we can make of it, will be to erect it into a free port, as we shall thereby destroy the envy and jealousy of other nations ; and if it does not remain in our hands, it is still of more importance for us to have it free and neutral.

The destiny of the Cape will not be in the hands of our nation alone ; but if we are to keep it without making it free, it will be one of the most fertile fields for producing war that has yet been known ; and we may already say, *Enough at home, enough abroad, has England bled !*—In these times, most nations may apply the same sorrowful words to themselves ; and it is to be hoped that great attention will be paid by those to whose conduct the destiny of nations are entrusted, to provide, as far as may be, against a repetition of those evils which avarice and ambition have so repeatedly brought upon the human race. We therefore shall be glad to see the question of the future destiny of the Cape of Good Hope discussed on that great principle that has the general repose and happiness of mankind in view, and not the confined policy of mercantile men.

Amongst the many books that are written on the Affairs of India, there is one that, both on account of the matter it contains, and the high quarter from which it is supposed to come, merits notice, particularly as it holds out the very mistaken and absurd notion, that our territorial possessions are of more importance than the trade to India itself.

We should be glad, in the first place, to know whether these possessions do not depend upon the commerce, and whether that assertion is not something like the honest Hibernian, who said that the roof of the house was of more use than the walls ? However, waving the impossibility of the case, let us suppose that we had all

the territories in India, but had no trade to it; and let us, on the other hand, suppose we had the commerce without the territory, and see which situation would be the better of the two. In the first place, the trade to Asia has, as we have already observed, enriched every nation that ever was in possession of it, even from the earliest periods; if it does not enrich us it is our fault, for never did any nation possess it so fully and completely as we do at this time.

The permanence of an advantage enjoyed is in general considered as constituting a very material part of its value. Now the fact is, that the commerce with Asia is in its nature as permanent as the wants of mankind: it has often changed its direction, and sometimes been interrupted; but so great has the necessity or desire of the western inhabitants of the world to enjoy the luxuries of the East, that no obstacle, however great, could long prevent them from being brought from thence. It is less likely now than ever; and therefore we may very properly consider the commerce as an inheritance entailed upon us, while we have the sense and good conduct to keep it: but as to the territorial possessions, they are but recently acquired; nor have we any example of a nation holding such distant and exclusive possessions for a great length of time*; so that to say no more of it, the permanence of those possessions is far from being equal to that of the trade to those countries. One very singular advantage of those territories is, that they have occasioned several wars, produced a great load of debt, and have only produced good to those individuals who have returned from thence with splendid fortunes to eclipse the ancient nobility of this country. It would be possible, in-

* Adam Smith, whose sagacity was not much inferior to his commercial knowledge, told the Author of this Work, in the year 1795, that he did not think, upon the whole, that the possessions in India were a benefit to the Country; he dreaded the wealth brought in by individuals; spoke of the quarrels these possessions brought upon us; and finished by saying his opinion was, that we should not possess them fifty years longer.

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deed, to name a score of individuals, who have brought home, for their own private account, more money than the India Company was ever worth at one time; but it is not by this species of criterion that we should choose to estimate the prosperity of a country. How far such fortunes do good or evil is a point not yet ascertained; we know what effect a similar influx of wealth produced on Spain, but it had not operated fully in the first half century; and if our possessions are kept on fifty years to come, those who are then alive will be better able to form an opinion.

The advantages arising from the Indian trade, and the number of sailors employed, are to a maritime nation beyond all price: they are permanent, if we can manage well. The other boasted advantage of territory is not yet ascertained, neither is there any rule by which we can estimate its permanence, for there is not any example that can be said to be very applicable; and those that are the most so, are all of them rather more against than in favour of the stability or advantage of such territories as we have in India.

We have, it is true, had occasion to shew that the gain arising to the Company is very small; but we distinguish between the advantages to the Nation and to the Company: and we will not hesitate to maintain, that, were the commerce with India lost, the importance of this nation would soon be diminished; therefore let us not be led into the fatal error, that our commerce with India is of less importance than our possessions there.

Having now endeavoured to review and examine the different interests and affairs in India, in that general way which is in our opinion the most useful, a short recapitulation is all that remains necessary to complete the plan on which we at first set out.

It never was the intention to aim at laying down a complete system for the Affairs of India; but observing that considerable changes must soon be made, to make such observations, and give such hints as may be probably of some use, when these points come to a public discussion.

We have had occasion to observe, that the trade to India is the most lucrative on the face of the earth, that it always has been so, and that to obtain possession of it, or at least to participate in it, has been the ambition of every people who had the means of attempting it. Great envy has accompanied the possession of so lucrative a pursuit, and considerable has been the consequence; but when it has been wrested from those who possessed it, their own indolence, rather than the energy of their rivals, has been the cause.

When any branch of commerce is in the hands of individual merchants, it has many chances in its favour, which it would not have if in the hands of a Company; consequently we find that in Spain, in Holland, and France, the public companies fell off to decay through mismanagement, when private adventurers went on well.

Individual energy and intelligence produce effects that are not to be estimated; and from these advantages large companies are cut off; but the nearest thing that can be substituted in the case of a company is new modifications, according to times and circumstances. In speaking of reform and amelioration in the India Company, let those terms not be taken as they are when applied to governments, of which the case is totally different. The fundamental principles of good government are eternal; to adopt them to circumstances is all that is wanted; but in trade and commerce every thing depends on circumstances, and therefore what was originally good, without being changed in itself, may become intolerably and completely bad; and
it

it so happens, that most large companies have a species of the antique, or old fashion, about them, that require attention and redress.

The acquisition of such great territories as our Company has, produced the necessity of the Government of the Country interfering; and we find the Board of Controul established very properly for that purpose; and consequently we find that part of the constitution of the Company more adapted to the present state of things than the commercial part, which is got so prodigiously in arrear, that great part of the business done, affords little or no profit, and some of it is attended with loss, while individuals of other nations carry on trade in the same articles with great advantage, though they are very heavily shackled, and labour under many inconveniencies.

The greatest, however, of all the evils, is, that the capital of the Company is totally inadequate to carrying on the trade that is required to be carried on between this country and India; and that the territorial affairs engross the principal attention, so that the commerce is neglected, and not near so extensive as it might be. *Order in the finances, a fair and proper participation with free traders,* are the remedies pointed out; and we have no doubt that, as the evil increases, the cure must soon be resorted to.

It is impossible to separate the affairs of so great a Company from the general prosperity of the nation: what is very important to keep in mind is, that a commercial nation cannot support a retrograde motion like one that lives by agriculture. Half the devastation that has been in Poland, or even in Prussia, within the last fifty years, would ruin this country for ever. We shall see Flanders and Brabant flourish, but we cannot expect ever to see thrive Holland; from all which we may conclude, that when a nation is once well advanced, as this is, in a career of commercial wealth, there is an absolute necessity of
keeping

keeping up the ball ; and to avoid falling back, it is necessary to make efforts perpetually to advance. Fortunately for this kingdom, we have got greater and greater by the industry, invention, and integrity of its inhabitants. But the trade to India does not keep pace with the rest. Let us take care that it does not some day retrograde, and so bring the whole into a perilous situation.

Too much attention cannot be paid to this ; and it is with a view to prevent it, that we have enlarged on the necessity of encouraging English houses to carry on such branches of the trade as they can with advantage, in place of leaving to foreigners that superiority which will drive that portion into their hands, and capital out of this country.

As to the Company embracing the whole of the trade, it is not possible, and if it were possible, it would not be wise. It is therefore to be hoped that the business will meet with a candid, an enlightened, and disinterested investigation. Not forgetting for a moment, that the interest of the nation at large, which is connected with the business, ought to be attended to first ; and the spirit of monopoly, that has on some occasions been rather too visible, counteracted, by those liberal views of commerce which have of late so widely diffused themselves, both in the political and mercantile world.

A P P E N D I X.

NOTE · [A].

THE first commerce with the Eastern world was undoubtedly confined to two channels. The one by the Arabian Gulph, now the Red Sea; and from the easternmost branch of that sea, through Arabia Petrea to Rhinocolura, and from thence to Tyre; from whence the merchandises were distributed, and sold to those who retailed or consumed them. Another road was from the Persian Gulph, over that desert which separates it from the Mediterranean; in which was Babylon, nearly at one extremity on the Euphrates, Tyre at the other, and Palmyra in a fertile plain situated near the middle of the desert.

Alexander the Great destroyed Tyre, and built Alexandria on the coast of Egypt, not quite so far distant from the western extremity of the Red Sea as Rhinocolura was from the eastern extremity; with this farther advantage, that instead of travelling through a stoney desert, the route lay through Egypt over the Delta, or descending the Nile, all which formerly was so famous a country, and towards which, the attention of the world has been very recently drawn by the mad expedition of Buonaparte. This, though a better route than that over the stoney desert, to which it put an end; did not destroy the commerce carried on through Syria, for it continued till the time of the Emperor Aurelian.

So long as the Egyptians carried on their commerce by navigating close to the eastern coast of Arabia, they were at a considerable disadvantage

advantage; for, after a long and tedious voyage, they were still but at the mouth of the Persian Gulph, which their rivals attained by a much nearer route. But Egypt had not been a century under the Roman yoke, when an enterprising captain of a ship (Hippalus), favoured by the periodical wind, now called a Monsoon, ventured to steer straight, and almost due east from the Streights of Bab-el-Mandel to the Malabar Coast. This, next to the passage by the Cape of Good Hope, thirteen centuries afterward, was the greatest discovery and abbreviation of the course by which Indian commodities have been brought to Europe. Pliny gives the exact distances of this route, which allowed the voyage to be completed to and from India in about twelve months.

But this commerce seems to have been eternally doomed to change; its course was again altered, in a great degree, by the fixing one of the capitals of the Roman Empire at Constantinople. This gave some preference to the route by Syria over that by Alexandria. But the destruction of the Parthian Empire by the Persians, and a change in the Persian mode of thinking, or of their politics, which made them less averse than formerly to a commercial intercourse with strangers, induced them to open the navigation of their rivers, and in particular the Euphrates, which gave great facilities, and shortened, by more than two-thirds, the land carriage from the Persian Gulph across to the Mediterranean Sea. This trade was thus kept alive, when, about the middle of the seventh century, the Mahomedan Religion gave a warlike and enthusiastic vigour to its followers. Egypt was conquered; and, in a short time, one religion established from the Atlantic to the confines of China. Nothing in the history of the world is equal to the rapidity, success, or extent of this new change; which, as to its commercial effects, tended greatly to reduce Alexandria, and was the cause of raising Bassora as a rival to it, at the confluence of the Euphrates and the Tigris; and, as is generally the case,

case, the new rival soon was superior, and is at this day a considerable depot for the Indian trade, while Alexandria is little other than the abode of poverty and wretchedness.

The effects on this commerce which the new religion produced were singular, and at different times very various; for though at first the means of trading seemed to be facilitated, the antipathies between the Christians and Mahomedans put almost a total stop for several centuries to the supplying of Europe with the productions of Asia. Caravans, which had been formerly known and employed for the purposes of trade, were now employed by religious zeal for the purposes of devotion; and Jerusalem and Mecca were both visited upon similar principles by the followers of Christ and of Mahomet. It has often been found on other occasions that religious zeal does not altogether banish a regard for the interests of this world: and it is a curious fact, that a great part of the trade to Asia was carried on by the votaries of religion, who met together in order to exchange their articles of traffic, which they had brought from their own countries, or acquired during the long journies.

A new channel for this varying branch of commerce was discovered, or rather resorted to on account of the scanty supply which could be obtained through the Mahomedan countries of Syria and Egypt. Goods were transported, partly by rivers and partly by land carriage, both from China and from Indostan, to the Caspian Sea, arriving at the south-east corner of it, near Esterhabad; from whence they were conveyed by ships to the northern extremity of that sea; and from thence to the Black Sea, by the Don and the Wolga, which nearly meet at one place. Constantinople then became, for a time, the emporium of trade, and was the richest and most brilliant city in Europe.

It is only useful for us to trace the variations of this trade in the present Work, on account of the amazing vicissitudes it has undergone, as they prove beyond a doubt the necessity of obtaining for Europe those productions, and the jealousies which the wealth their barter produces has given birth unto.

Venice and Genoa, lying not very distant either from Alexandria in Egypt, the coast of Syria, or from Constantinople, rivalled each other in obtaining Asiatic commodities from all of these parts to supply Europe as extensively as they could. This rivalry was firmly established, when the Holy War, carried on by all the nations in Europe, conducted most of its princes and nobles to Venice and Constantinople. By various causes, which it is not our business to examine, the Crusaders and Venetians were induced to turn their arms against Constantinople, the sovereignty of which was divided into four parts, one of which fell to the lot of the Venetians; and for little more than half a century they engrossed almost the whole of it during this time. Venice could scarcely consider Genoa as a rival: but by a new revolution, supported by the wealth of the Genoese, the Imperial family at Constantinople was reinstated, and the Venetians lost all their footing in that country. The Genoese obtained, in recompense for the aid they had given the Greeks, Pera, one of the chief suburbs of that city, which they fortified, and in their turn had the advantage over the Venetians. The State of Venice, on the loss of Constantinople, was obliged again to have recourse to the original depots at Alexandria and in Syria.

During these alternate vicissitudes of those two cities, Florence rose up a formidable rival to both; and the North of Europe was daily becoming more civilized: the consequence of which was, that a demand for Asiatic productions augmented, and it was necessary to establish a general depot for this purpose. This was done first at
Bruges,

Bruges, and then at Antwerp; which two cities for a time enjoyed all that wealth and importance this singularly lucrative branch of commerce has given to those, through whose hands it has ever passed; and, perhaps, had the Flemings possessed the taste or the skill of former ages, the ugly and inelegant city of Bruges might have exhibited those remains of ancient greatness which are yet to be traced on the deserts of Syria. But the honest Flemings, in the times of Gothic barbarism, never thought of erecting a city like Palmyra: to eat and drink, or to expend their riches on gorgeous raiment, were, they thought, more real, though certainly a more transitory manner of enjoying them.

While Venice, Genoa, and Florence, were thus rivalling each other, a new revolution at Constantinople, which placed Mahomet the Second on the throne, destroyed the prosperity of Genoa; and subjected the trade from India to Constantinople, now become a Mahomedan city, to all the fictitious inconveniences which commerce laboured under by the former channels of Egypt and Syria, superadded to the natural difficulties, which, owing to a long carriage by land, were still greater.

Venice then obtained a preponderance, which it did not lose until, by the discovery of the passage by the Cape of Good Hope, a new, a more certain, and a much less expensive channel was opened; by which Europeans have ever since been chiefly supplied with the productions of Asia.

Such were the vicissitudes which this most extensive and inappreciable trade underwent in former times; most of which may be traced to the wealth and arrogance which it produced, or to the envy it excited; and it is even believed, that the vast wealth of Venice, giving umbrage and stimulating the avarice of the Genoese, these latter

latter first attempted to obtain the same privileges the Venetians had obtained in Egypt; and failing in that, encouraged those attempts by which a new world was discovered, and the commerce between the extremities of the ancient one totally changed and altered.

Even this new and certain channel has not given either a solid or permanent possession of that capricious trade to any nation. The Portuguese possessed it first: they have nearly lost it altogether. The Dutch possessed it, and followed it up long with great advantage. Other nations have had their share; but England, which came almost the last, has obtained possession of nearly the whole.

It remains to be seen whether better conduct, more liberality, wisdom, and equanimity, on the part of this Nation, will fix the place of this wandering but brilliant meteor; which has first illuminated, and then consumed all those nations through which it has hitherto passed.

In considering the various changes in this commerce so minutely, we have only had in view to shew, that the task of fixing it to one place is arduous, and that present possession is no guarantee for future enjoyment.

NOTE [B].

THE purpose of this Appendix being to shew clearly and concisely, in what manner, and by what degrees, the East India Company obtained possession of so very considerable an extent of territory, as they now hold under the Crown of Britain—it is judged most eligible to divide the subject under the three great divisions of their power, viz. Bengal, Madras, and Bombay; beginning with Madras, as being considered, at that period from which the territorial aggrandisement of the Company commenced, the chief establishment belonging to the English in the East Indies *.

MADRAS, OR FORT ST. GEORGE.

The Presidency of Fort St. George, previous to the war which commenced in Europe in 1756, enjoyed, under the Nabob of Arcot, Mahomed Ally, the following districts, as a small jaghire, for services already performed both to his father and himself:

	YEARLY REVENUE.			No. of Dists	No. of Villages,
	Pagodas.	Annas.	Chucrams.		
Madras, customs included, - -	1,200			1	1
St. Thome's district, customs included,	6,346	15		1	7
Ponamalee district, customs included,	34,840	0 ½		1	231
Trevendapoor, &c. - - - - -			26,250	1	28
Total,	42,386	15 ½	26,250	4	267

A sum scarcely exceeding £.20,000 *per annum*.

* Previously to this, Bombay was the principal settlement, and to which all the others were subordinate. The Chief Officer or Governor was at Bombay denominated the General, and at Madras

But the French power being overthrown in India, as we have already shewn, and the English having established themselves in their room, the under-mentioned requests were made by Colonel Forde, commanding the King's and Company's troops in the Carnatic, to Salabat Jung, Soubahdar of the Decan :

“ That the whole of the Sircar of Mazulipatam, with eight districts, as well as the Sircar of Nizampatam, and the districts of Condavir and Wacalmanner, should be given to the English Company, as an Enam (or free gift); and the Sunnuds granted to them in the same manner as was done to the French. .

“ The Nabob Salabat Jung should oblige the French troops, which were in his country, to pass the River Ganges within fifteen days, or send them to Pondicherry, or to any other place out of the Decan; in future he should not suffer them to have a settlement in his country on any account whatever, *nor keep them in his service, nor assist them, nor call them to his assistance.*

“ The Nabob should not demand, or call Gauzepetty Rauze to an account for what he has collected out of the Sircars belonging to the French; nor for the computation of the revenues of his own country in the present year, but let him remain peaceable in it in future; and according to the computation of the revenues of his country before the time of the French, agreeable to the custom of his grandfather and father, and as was then paid to the Sircar, so he should now act and pay accordingly to the Sircar; and if he (the Rajah) did not agree to it, then the Nabob might do what he pleased. In all cases the Nabob is not to assist the enemies of the English, nor give them protection.

Madras the Lieutenant-General. Madras succeeded to Bombay, but Calcutta has now become the seat of Supreme Government; so much for the changes which time occasions.

The English Company, on their part, will not assist the Nabob's enemies, nor give them protection.

“ Dated Moon Ramadan, the 16th Hegira 1172, which is the 14th of May 1759.”

To these propositions the Salabat Jung consented in the following words written by himself :

“ I swear by God and his Prophet, and upon the Holy Alcoran, that I with pleasure agree to the requests specified in this paper, and shall not deviate from it an hair's breadth.”

These concessions from Salabat Jung to the East India Company were at this period * very considerably increased by the Nabob of Arcot. That Prince assigned to the Company a Jaghire, situated in the Payen Gaut, consisting of twenty districts, and containing 1759 villages, by the following Sunnud :

“ Be it known to the Deesmokces, Deespondees, Muccuddems, husbandmen, and others, inhabitants of the said Magans, that, in consideration of the great services rendered to my affairs by the English East India Company, their firm friendship for me, and the dependance I have of their always remaining, in future in alliance with, and supporting myself and sons, I have given and made over to them, in Jaghire, as hereunder-mentioned, computed value thereof being exclusive of the Jaghiredars, Shoterumdars, Pollygars, Ruffoomdars, Rozceenedars, and Enamdars ; you are therefore hereby strictly ordered to live in due obedience to the said English East India Company, to pay them the money due at the fixed and stated times, and in every respect to look upon them as myself.

* 16th October, 1763.

It would appear that the above Sunnud was not complete, for we find from the Serishtadar's letter to the Nabob, informing him of the Sunnud's having been made out for the English East India Company the 16th of October 1763, that out of the several countries from which that Jaghire arose, there were many villages, to the value of pagodas 34,430 $4\frac{1}{2}$ and chucrams 4033 (as entered in the Mogul's book), excepted; he requested therefore the Nabob's orders, whether a new Sunnud for the whole (which he particularizes in the same manner as it is in the Sunnud) should be made out or not? To which the Nabob answered, in his own hand-writing, in the following terms: "*In consideration of the true friendship of the English East India Company, and their remaining always in alliance with me, let a Sunnud for the whole Jaghire, without any exception, be made out.*"

Registered in the Dewan's own office the 21st of the Moon Rabbi ul Sauni, in the year of Hegira 1177, equal to the 29th of October 1763, and in the Nabob's own office the same day.

The Company's revenue in the Carnatic was now estimated as follows:

	Pag.	Ann.	Chuc.	Dis.	Vill.
By the old grants, - - - -	42,386	$15\frac{1}{2}$	26,250	4	4267
By those of 16th October 1763,	366,064		2,000	20	1759
By the present grants, - - -	34,430	$4\frac{1}{2}$	4,033		175
	<u>442,881</u>	<u>$3\frac{3}{4}$</u>	<u>32,283</u>	<u>24</u>	<u>2201</u>

Amounting in all to the yearly sum of £.200,000 sterling.

We have now traced the Presidency of Madras or Fort St. George from the situation of a village *, for so it is termed in the first grants

* From an obscure village Madras is become a city with 300,000 inhabitants, abounding in commerce and wealth.

from

from the Nabob, with a computed revenue of only £.20,000 *per ann.* to a very considerable military establishment, and an extensive territory, producing to the Company an annual sum of £.200,000, besides the duties on trade to a considerable amount.

The East India Company, by these grants, had now acquired a great ascendancy in the scale of politics in the Decan, and no means were left untried by their servants, or opportunities lost, to confirm, consolidate, and extend their territorial dominion.

For effecting this important design, a very fortunate event took place *. The empire of the Mogul, had long been tottering, but was now reduced to its lowest ebb. The Emperor was a prisoner in the camp of his Vizier, the Nabob of Oude, and nothing was left him but the *plume* of royalty. It was, however, political for the party who had the control over this unfortunate Monarch, to preserve the shadow of his former power, and to make his Firmaun equally conclusive and efficient, as if he absolutely swayed the Imperial sceptre.

The Mogul, disgusted with the bad treatment which he received from the Vizier, and relying on the successes of the English, fled to the British camp. From this moment the affairs of the East India Company became daily more and more flourishing. Amongst other uses made of this circumstance, so favourable to the interests of the Company, was the obtaining the following Firmauns, conveying in fee, all the possessions in the Carnatic, as well as the five Sircars, which had been granted, as has already been observed, to the East India Company by Salabat Jung.

* 1760.

FIRMAUN *from the Mogul for the Northern Sircars.*

In these happy times, our Firmaun, full of splendor and worthy of obedience, is descended, purporting, that whereas Salabut Jung Behauder, Subahdar of the Decan, conferred the Sircar of Siccacole, &c. on the French Company, and that in consequence of its not being confirmed by us, either by Firmaun or otherwise, the high, mighty, glorious chiefs of the Khans, chosen of the Omrahs, Scapoy Surdars, truly faithful, worthy of receiving favours and obligations, our invariable and never-failing friends and well-wishers, the English Company (having sent a large force for that purpose) did expel the French therefrom; we therefore, in consideration of the fidelity and good wishes of the above high, mighty, &c. &c. English Company, have, from our throne, the basis of the world, given them the aforementioned Sircars, by way of Enam or free gift (without the least participation of any person whatever in the same), from the beginning of the Fufful of Tuccaucooul, in the year of Phaelley 1172, equal to the month of April, 1762; it is incumbent therefore on you our sons, Omrahs, Viziers, Governors, Muttasseddees, for the affairs of our Dewanship, Mootecophils, for those of our kingdom, Jaghiredars and Karorees, both now and hereafter, for ever and ever, to use your endeavours in the strengthening and carrying into execution this our most high command, and to cede and give up to the above-mentioned *English Company, their heirs and descendants, for ever and ever, the aforesaid Sircars*; and esteeming them likewise free, exempt, and safe from all displacing or removal, by no means whatever, either molest or trouble them, on account of the demands of the Dewan's office, or those of our Imperial Court.

Looking

Looking upon this high Firmaun as an absolute and positive order, obey it implicitly.

Dated the 24th of the moon Sophar, in the sixth year of our reign, equal to the 12th of August, 1765.

Forms made use of on the Back of the Firmaun.

From the secretary, setting forth, that his Majesty had been pleased to sign a petition (supposed to be from the Company) of the same date as the Firmaun, directing, that whereas Salabat Jung Behauder, Subahder of the Decan, conferred the Sircar of Siccacole, &c. on the French Company; and that, in consequence of its not being confirmed by his Majesty, either by Firmaun or otherwise, the high, mighty, &c. &c. English Company (having sent a large force for that purpose) did expel the said French therefrom; his Majesty therefore, in consideration of the fidelity of the aforesaid English Company, has given them (without the participation of any person whatever in the same) the above-mentioned Sircars, by way of Enam. or free gift.

Then followed two orders from the Mogul, the first supposed to be in his own hand, addressed to his son Mirza Mahomed Akbur Shah Behauder, telling him to comply with the contents of this Firmaun; the other directing that the English Company be under his son's command, or in his Ressaula.

FIRMAUN from the MOGUL, being a Confirmation of the Nabob's Grants to the Company, in the Carnatic.

In these happy times, our Firmaun, full of splendor and worthy of obedience in all, is descended, purporting, that whatever formerly has been given by preceding Moguls, or lately by Serajah Dowla Mahomed Ally Khan, from the Sircar of the Carnatic, in the parts above Madras, &c. to the * high, mighty, &c. &c. English Company: We, in consideration of their great pains and services, have, from our throne, the basis of the world, *conferred upon or confirmed* to them, by way of Enam or free gift, without allowing any person whatever any part or share therein. You therefore our sons, Omrahs, Viziers, Governors, Mutasseddees, for the affairs of the Dewanship, Moote-cophils for those of our kingdom, Jaghiredars and Karorees, both now and hereafter, for ever and ever, exert yourselves in the strengthening and carrying into execution this our most high-command, and cede and give up to the above-mentioned British Company, their heirs and descendants, for ever and ever, the aforesaid Sircar, and esteeming them likewise as entirely exempt, free and safe from all displacing or removal; by no means whatever molest or trouble them, either on account of the demands of the Dewan's office, or those of our Imperial Court.

Looking upon this high Firmaun as an absolute and positive order, obey it implicitly.

Dated the 24th of the moon Sophar, in the 6th year of our reign, equal to the 12th of August, 1765.

* The same titles as those mentioned in the Firmaun for the Northern Sircars.

The forms made use of, on the back of this Firman, correspond almost entirely with those on the back of that for the Northern Sircars.

It would be encumbering the subject too much to notice all the treaties of *honour, favour, alliance, and attachment*, entered into between the English East India Company, the Soubah of the Decan, and the Nabob of Arcot *. It is however to be observed that in all of them the interest of the English was particularly attended to †; and that also by their means the dominions of the Mahomed Ally, Nabob of Arcot, were by Sunnuds, from the Soubah of the Decan very considerably increased ‡. It may however be considered as worthy of remark, that the Soubahdar of the Decan, in a Sunnud of the 12th of March 1768, denounces Hyder Ally, the father of Tippoo Sultaun, to the English as a “*rebel and usurper, that he had deprived him of all his honour and dignities, and they (the English) were by no means to pay any attention to his Deputies or Vackeels, but to stop all correspondence either with him or them.*” Such was the estimation in which this family was held; but the imbecility of the Subahdar could only do by words what the English were attempting by force of arms ||.

From this period to the year 1778, the Government of Madras were involved in continual disputes with the Nabob of Arcot and the Rajah of Tanjore. The war with France once more stimulated

* 12th November, 1766. 23d February, 1768.

† 12th March, 1768.

‡ 12th and 14th November, 1766. 11th March, 1768.

|| There is no doubt but that the above article in the Sunnud was exacted by the English, who were then actually engaged in a war with Hyder Ally, which had commenced in 1767. Peace was concluded with little advantage to either side the 3d of April 1769,

exertion, and the fall of Pondicherry a second time*, proved fatal to the French establishments in the Carnatic. The active genius of Hyder Ally, alive at all times to his own interest, or his ambition, willing to benefit by the gloomy aspect of the times, entered the Carnatic at the head of a numerous army, and appeared in the neighbourhood of Fort St. George before it was hardly known that he had descended the Gauts†. The expences of this war were consuming the vitals of the Company, when Lord M'Cartney was nominated to the Government of Madras. It was no longer possible for that Presidency, assisted by the resources of Bengal, to furnish the supplies: for although the object of the war was avowedly to support the Nabob of the Carnatic, his revenues were misapplied and dissipated. Lord M'Cartney saw it was now the time to make the grand *coup de main*. This was nothing less than an exclusive assignment of the Nabob's revenues in the Carnatic to support the expences of an unpromising war. After some hesitation, the demand was complied with in its fullest extent, and a Sunnud was granted in favour of the East India Company‡, permitting them to appoint the renters of the Carnatic, and, in short, to possess the sole controul from Ganjam to Cape Comorin. By this negociation, upwards of £.1,200,000 was added to the territorial revenues of the Company ||.

The gradual and well directed efforts of the Company were not destined to stop here. The inordinate ambition of Tippoo Sultaun paved the way for further aggrandizement, and fresh conquest. An

* September, 1778.

† The passes in the mountains which separate the Carnatic from the dominions of Mysore.

‡ December, 1781.

|| On the death of Hyder Ally, in 1782, the war was continued by his son, Tippoo Sultaun, an enemy to the English, more implacable than his father was. Peace was concluded before Mangalore in March 1783, on the ground of the *status quo ante bellum*. The tyrant is now no more!

injudicious and unjust attack on our ally the Rajah of Travencore *, called forth the ready assistance of the English, and humanity became interested in the event.

Powerful as Tippoo was now become, by a repose of seven years from the expences of war; the alarming combination † excited by his violation of every right, aided by the gallantry and discipline of the British army, with the judgment and integrity of the Marquis Cornwallis, obliged the imperious tyrant to purchase a peace ‡ at the expence of half his dominions, and the payment of a sum of money, upwards of £.3,000,000 sterling.

By the partition treaty ||, one-third came to the share of the Company, amounting to £.1,000,000 in sterling money, with an addition of territorial revenue of £.700,000 *per annum*.

The ranklings of revenge, in a vindictive mind, are not easily to be eradicated; and this modern Vandal appears not to have forgotten his antipathy to the English. Desirous to benefit by the rapid successes and rapacious atrocities of the French, and above all by the splendid but absurd and abortive attempt made by the Hero of Italy §,

* 1790.

† The Mharattas, the Nizam of the Decan, and the Rajah of Travencore.

‡ 1792.

|| The partition treaty was executed at Poona, on the first of June 1790, by the Mharattas; and at Panngul by the Nizam on the fourth of July following.

§ The failure of Buonaparte's Expedition to Egypt was, even before Lord Nelson's brilliant victory, foretold in a publication, entitled, *Travels from England to India*, written by MAJOR TAYLOR, belonging to the Company's Military Service at Bombay. The French themselves foresaw the result would be fatal and disgraceful; and they accordingly furnished their darling General with an epitaph:

*Cy git Caff-Col qui se croirait un grand homme,
Il a commencé fort bien, mais a finit tres mal,
Il a pris Mantou, Malta, et Milan.
Mais il est allé à Memphis pour finir sur un Pal.
Sic TRANSIT GLORIA MUNDI!!!*

and Orissa, without paying any duties or fees of any kind whatsoever; and that the Zemindars, Chokeydars, Guzerbauns, &c. offer them no kind of molestation upon this account.

“That restitution be made the Company, of their factories and settlements, at Calcutta, Cossimbuzar, Dacca, &c. which have been taken from them.

“That all money and effects, taken from the English Company, their factors and dependents, at the several settlements and Aurungs, be restored in the same condition: That an equivalent, in money, be given for such goods as are damaged, plundered or lost, which shall be left to the Nabob's justice to determine.

“That the Company be allowed to fortify Calcutta, in such manner as they shall esteem proper for their defence, without any hindrance or obstruction.

“That siccas be coined at Allenagur (Calcutta) in the same manner as at Moorshedabad, and that the money, struck in Calcutta, be of equal weight and fineness with that of Moorshedabad. There shall be no demand made for a deduction of Batta.

“That these proposals be ratified in the strongest manner, in the presence of God and his Prophet, and signed and sealed to, by the Nabob, and some of his principal people.

“And Admiral Charles Watson and Col. Clive promise, *in behalf of the English Nation*, and of the English Company, that from henceforth all hostilities shall cease, in Bengal, and the English will always remain in peace and friendship with the Nabob, as long as these articles are kept in force, and continue unviolated.

The

The treaty was signed and sealed by all the parties, and formally ratified and confirmed, agreeably to the Oriental custom in such cases*.

The Nabob Serajah-ul-Dowlah had scarcely recovered the blow, when he meditated revenge, and was again preparing to attack the English. The plot was discovered, and a secret treaty was entered into between the English and Meer Jaffier Ally Khan, to the following effect † :

TREATY *with* JAFFIER ALLY KHAN.

“ Whatever articles were agreed upon in the time of peace with the Nabob, Serajah Dowlah Monfoor ul Mulck Shah Kuly Khan Behauder, Hybut Jung, to stand confirmed.

“ The enemies of the English to be the enemies of Jaffier Ally Khan, whether Indians or Europeans.

“ All the effects and factories, belonging to the French in the province of Bengal, and Bahar and Orissa to remain in the possession of the English, nor the French be allowed any more to settle in the three provinces.

“ In consideration of the losses, which the English Company had sustained by the capture and plunder of Calcutta by the Nabob, and the charges occasioned by the maintenance of the forces, one crore of rupees, or £,1,200,000 to be paid to the Company.

“ For the effects plundered from the English inhabitants of Calcutta, fifty lacks of rupees, or £,600,000.

* February 1757.

† May 1757.

“ For

“ For the effects plundered from the Gentoos, Mussulmen, and other subjects of Calcutta, twenty lacks of rupees, or £.140,000.

“ For effects plundered from the Armenian inhabitants of Calcutta, the sum of seven lacks of rupees, or £.56,000. The distribution of the sums, allotted to the natives, English inhabitants, Gentoos, and Mussulmen, to be left to the Admiral and Colonel Clive, and the rest of the Council, to be disposed of by them to whom they shall think proper.

“ Within the ditch, which surrounds the borders of Calcutta, are tracts of land, belonging to several Zemindars; besides this, the English Company to possess six hundred yards without the ditch.

“ All the land lying to the South of Calcutta, as far as Culpée, to be under the Zemindary of the English Company; and all the officers of those parts to be under their jurisdiction. The revenues to be paid by them (the Company) in the same manner with other Zemindars.

“ Whenever the English assistance is demanded, Meer Jaffier to be at the charge of the maintenance of them.

“ No new fortifications below Hughley near the River Ganges to be erected by Meer Jaffier.”

The above articles were ratified by Meer Jaffier Ally Khan, in the most solemn manner; and the East India Company pledged themselves by the following article:

“ On condition that Meer Jaffier Khan Behauder shall solemnly ratify, confirm by oath, and execute all the above articles, which the under-
written

written, on behalf of the Honourable East India Company do, declaring on the Holy Gospels, and before God, that we will assist Meer Jaffier Khan Bebauder with all our force, to obtain the Soubaship of the province of Bengal, Bahar, and Orissa; and further, that we will assist him to the utmost, against all his enemies whatever, as soon as he calls upon us for that end; provided that he, on his coming to be Nabob, shall fulfil the aforesaid articles.

The battle of Plaffey * decided the fate of Serajah-ul-Dowlah, and placed Meer Jaffier on the Musnud of Bengal †.

This Prince and the Company continued on a friendly footing till the year 1760, when his son in law Cossim Ally Khan, from mismanagement on the part of the Nabob, was appointed to conduct the affairs of government; but previous to this, Meer Jaffier was not ungrateful for the favours conferred on him by the East India Company; for he ceded to them twenty-four districts of considerable value ‡, and shortly after added three more, constituting, according to the Oriental custom, the East India Company Zemindars, or proprietors of the soil.

PERWANNAH for the granted Lands.

“Ye Zemindars, Chowdrahs, Talookdars, Muccuddems, Recayahs, Morfawreans, Mootawettawahs of the Chuckla of Hughley, and others, situated in Bengal, the terrestrial paradise: Know, that the Zemindarry, Chowdrahy, and Talookdarry, of the countries in the subjoined list, hath been given, by treaty, to the most illustrious and most magnificent, the English Company, the glory and ornament of trade: The said Company will be careful to govern according to

* 23d June, 1757.

† 30th June, 1757.

‡ 20th December, 1757.

established custom and usage, without any gradual deviation, and watch for the prosperity of the people: Your duty is to give no cause of complaint to the Recayahs of the Company, who on their part are to govern with such kindness, that husbandry may receive a daily encrease; that all disorders may be suppressed, drunkenness and other illicit practices prevented, and the Imperial tributes be sent in due time: Such part of the abovesaid country as may be situated to the West of Calcutta, on the other side of the Ganges, does not appertain to the Company: Know then, ye Zemindars, &c. that ye are dependents of the Company, *and that ye must submit to such treatment as they give you, whether good or bad*, and this is my express injunction."

The East India Company, in consequence of this new dignity, became bound to pay a Pishcash of rupees, 20,101, or £.2,261 sterling; and for which they received in return a revenue of £.25,000 *per annum*.

The obligations imposed on and acceded to, by the Company, were as follow:

"We, the English Company, do declare, that whereas the office of the Zemindarry of the Kissimut Purgunnah of Calcutta, &c. of the Sircar Sautgaum, &c. belonging to the Paradise of Nations, the Soubah of Bengal, in consideration of the sum of twenty thousand one hundred and one rupees Pishcash, &c. to the Imperial Sircar, from the month Poofs, in the year eleven hundred and sixty-four of the Bengal Æra, has been conferred on us, to the end that we attend to the rites and customs thereof, as is fitting, nor in the least circumstance neglect or withhold the vigilance and care due thereto. That we deliver into the treasury, in the proper times, the due rents of the Sircar. That we behave in such manner to the inhabitants and lower sort of people, that by our good management the said Purgunnahs

nahs may flourish and increase. That we suffer no robbers nor house-breakers to remain within our districts, and take such care of the King's highways, that the travellers and passengers may pass and repass without fear or molestation. That (which God forbid) if the effects of any person be plundered or stolen, we discover and produce the robbers or thieves, together with the goods, and deliver the goods to the owners, and the criminals to condign punishment, or else that we ourselves be responsible for the said goods. That we take special care that no one be guilty of any crime, or drunkenness, within the limits of our Zemindarry. That, after the expiration of the year, we take a discharge according to custom, and that we deliver the accounts of our Zemindarry, agreeably to the stated forms every year, into the Dusterkana of the Sircar, and that we refrain from demanding the articles forbidden by the Imperial Court (the asylum of the world.)"

The liberality of Jaffier Ally Khan, on the request of the Company, granted a Sunnud for the free tenure of the town of Calcutta*; the pretexts were, "That the factory of the noblest of merchants, the English Company, for carrying on their trade in the Purgunnah of Calcutta, lying near the sea, and being liable to continual alarms, and interruptions from the enemy, they had, for their defence, made a Tank of water round their factory, and left an Esplanade on all sides, at the distance of a cannon shot; and that as the Mowza of Govindpoor, &c. in the districts of the Purgunnah of Calcutta, &c. of the Sircar Sautgaum, belonging to the Paradise of Nations, the Soubah of Bengal, dependent on the Khalsa Shereefa, and Jaghire of the Sircar, adjoin thereto; they therefore requested a Sunnud, exempting them from the payment of the rents thereof."

We now come to the period when Mahomed Cossim Khan was pitched on by the Company to succeed his father-in-law Meer Jaffier,

* December 1758,

whom they resolved to deprive of all authority—cruelty, oppressive conduct towards his subjects, and irresolution, were the grounds on which it was determined that this change should take place*. Accordingly, a treaty † was entered into between the East India Company and the Nabob Meer Mahomed Cossim Khan, as follows :

“ The Nabob, Meer Mahomed Jassier Khan Behauder, shall continue in possession of his dignities, and all affairs be transacted in his name, and a suitable income shall be allowed for his expences.

“ The Neabut of the Soubahdarry of Bengal, Bahar and Orissa, &c. shall be conferred by his Excellency, the Nabob, on Meer Mahomed Cossim Khan Behauder; he shall be invested with the administration of all affairs of the provinces, and after his Excellency he shall succeed to the Government.

“ Betwixt the Company and Meer Mahomed Cossim Khan Behauder a firm friendship and union is established, his enemies are their enemies, and his friends are their friends.

“ The Europeans and Telingas of the English army shall be ready to assist the Nabob, Meer Mahomed Cossim Khan Behauder, in the management of all affairs; and in all affairs dependent on him, they shall exert themselves to the utmost of their abilities.

“ For all charges of the Company and of the said army, and provisions for the field, &c. the lands of Burdwan, Midnapore, and Chittagong, shall be assigned, and Sunnuds for that purpose shall be written and granted. The Company is to stand to all losses, and

* 27th September, 1760.

† It was at this juncture the fashion to decorate Europeans with Oriental titles. Lord Clive was termed Sabut Jung Behauder, and had the title of “ Flower of the Empire; Defender of the Country; The Brave; Firm in War.” Governor Vansittart was called the Nabob Shum’s ô Dowlah, and so on.

receive all the profits of these three countries, and they will demand no more than the three assignments aforesaid.

“ One half of the Chunam, produced at Silhet for three years, shall be purchased by the Gomastahs of the Company, for the people of the Government, at the customary rate of that place. The tenants and inhabitants of those districts shall receive no injury.

“ The balance of the former Tuncaw shall be paid according to the Kistbundee, agreed upon with the Royroyan. The jewels, which have been pledged, shall be received back again.

“ The Company will not allow the tenants of the Sircar to settle in their lands; neither shall the tenants of the Company be allowed to settle in the lands of the Sircar.

“ We will give no protection to the dependents of the Sircar in the lands, or in the factories of the Company; neither shall any protection be given to the dependants of the Company in the lands of the Sircar; and whosoever shall fly for refuge to either party shall be delivered up.

“ The measures for war and peace with the Shahzada*, and raising supplies of money, shall be weighed in the scale of reason, and whatever is judged expedient shall be put in execution; and it shall be so contrived by the joint councils, that he be removed from this country, nor suffered to get any footing in it. Whether there be peace with the Shahzada or not, our agreement with Meer Mahomed Cossim Khan Behauder, we will (by the grace of God) inviolably observe, as long as the English Company's factories continue in the country.”

* The eldest son of the Mogul.

By this treaty, the Company acquired the lands of Burdwan, Mednapore, and Chittagony *; and two years after the Nabob issued a Sunnud in their favour for the Zemindarry of the Rajah Tilluckchund, in the Soubah of Bengal. The condition on the part of the Company was, That they should support 500 European horse, 2,000 European foot, and 8,000 Sepoys, for the protection of the Royal Dominions.

The Government of Meer Mahomed Cossim Ally Khan was very soon disapproved by the English. The connection which he formed with Sujah-ul-Dowlah, the Nabob of Oude, and Vizier to the Mogul, gave great cause of offence; added to which, he had, *without permission*, increased his army, and even began to discipline his men after the European manner. It was therefore judged expedient to re-establish the Nabob Jaffier Ally Khan, for which purpose a formal agreement was entered into between the Company and him †.

“ The Company, on their part, agreed to re-instate the Nabob Meer Mahomed Jaffier Khan Behauder, in the Soubahdarry of the provinces of Bengal, Bahar, and Orissa, by the deposal of Meer Mahomed Cossim Khan; and the effects, treasure, and jewels, &c. belonging to Meer Mahomed Cossim Khan, which should fall into their hands, were to be delivered up to the Nabob.

On the part of the Nabob, it was agreed, “ That the treaty which he formerly concluded with the Company upon his accession to the Nizamut, engaging to regard the honour and reputation of the Company, their Governor and Council, as his own, granting Perwannahs for the currency of the Company’s business, should be confirmed.

* 1762.

† 1763.

“ To grant and confirm to the Company, for defraying the expences of their troops, the Chucklas of Burdwan, Midnapore, and Chittagong, which were before ceded for the same purpose,

“ To ratify, and confirm to the English, the privilege granted them by their Firmaund, and several Hufbulhookums, of carrying on their trade, by means of their own Duftick, free from all duties, taxes, or impositions, in all parts of the country, excepting the article of Salt, on which a duty of $2\frac{1}{2}$ *per cent.* should be levied on the Rowana, or Hughley market price.

“ To give to the Company half the Saltpetre, produced in the country of Purnea, which their Gomastahs shall send to Calcutta. The other half to be collected by the Fouzdar, for the use of the Nabob's offices; and no other person to make purchases of this article in that country.

“ That in the Chuckla of Silhet, for the space of five years, commencing with the Bengal year 1170, the Nabob's Fouzhar, and the Company's Gomastah, should jointly prepare Chunam, of which each should defray half the expences, and half the Chunam, so made, should be given to the Company, and the other half to be for his use,

“ The Nabob to maintain 12,000 horse and 12,000 foot, in the three provinces. If there should be occasion for any more, the number to be increased by consent of the Governor and Council, proportionably to the emergency: besides these, the forces of the English Company always to attend him when wanted.

“ Wherever he should fix his court, either at Moorshedabad or elsewhere, to advise the Governor and Council; what number of English forces he might have occasion for in the management of his affairs

to demand them, and they shall be allowed ; and an English gentleman should reside with him, to transact all affairs between him and the Company, and a person also to reside on his part at Calcutta, to negotiate with the Governor and Council.

“ The late Perwannahs, issued by Cossim Ally Khan, granting to all merchants the exemption of all duties, for the space of two years, shall be reversed and called in, and the duties collected as before.

“ Rupees, coined in Calcutta, to pass in every respect equal to the Siccas of Moorshedabad, without any deduction of Batta.

“ To give thirty lacks of rupees, to defray all the expences and loss accruing to the Company, from the war and stoppage of their investment ; and to reimburse, to all private persons, the amount of such losses, proved before the Governor and Council, as they may sustain in their trade in the country : if the Nabob should not be able to discharge this in ready money, assignments of land to be given for the amount.

“ To confirm and renew the treaty which he formerly made with the Dutch.

“ *If the French should come into the country*, he would not allow them to erect any fortifications, maintain forces, hold lands, Zemindarries, &c. but by paying tribute, to carry on their trade as in former times.

“ Some regulations to be hereafter settled, for deciding all disputes, which may arise between the English Agents and Gomastahs, in the different parts of the country, and his officers.”

The

The Company had but little trouble in effecting the purpose of the treaty. Meer Cossim Ally Khan was deposed, and Jaffier Ally resumed the Musnud of the provinces. Meer Cossim Ally, after having perpetrated several massacres on the unfortunate Englishmen in his power, fled to his friend Sujah-ul-Dowlah, with whom, as we have already said, the Mogul resided. Inclination was not wanting, on the part of Sujah-ul-Dowlah, who was a man of great ambition, and very considerable resources, to commence hostilities against the English. To assist in supporting the expences of this war, Jaffier Ally Khan, the new made Nabob*, stipulated to pay the Company a monthly sum of five lacks of rupees†, to commence from the 31st of July, 1764.

It would appear at this period, that the British discipline surmounted every obstacle. Superiority of numbers in the enemy seemed only to inspire fresh energy in the breasts of the English troops. At the battle of Buxar‡, Sujah-ul-Dowlah was completely defeated by Major Munro§. The Mogul, perceiving that Sujah-ul-Dowlah was no longer in a situation to resist the Company's forces, sought the protection of the British Camp. The Nabob Vizier kept the field for some months, when peace was concluded.

The feelings of the unhappy Mogul will be best conveyed in his own emphatic words.

Proposals made by the King SHAH AALUM, and enclosed in a Letter, from Major HECTOR MUNRO to the President and Council, at Bengal, dated from the Camp, at Benares, the 22d of November, 1764.

“ If this country is to be kept, put me in possession of it, and leave
“ a small detachment of the troops with me, to shew that I am pro-

* September 16, 1764.

† Sixty thousand pounds sterling.

‡ October, 1764.

§ Now Sir Hector Munro, and a General Officer.

“ tested by the English, and they shall be at my expence; if any
 “ enemy come at any time against me, I will make such connections
 “ in the country, that, with my own troops, and the afore-men-
 “ tioned small detachment, I will defend the country, without any
 “ further assistance from the English, and I will pay them out of the
 “ revenues of the country, what sum they shall demand yearly. If
 “ the English will, contrary to their interest, make peace with the
 “ Vizier, I will go to Delhi, for I cannot think of returning again
 “ into the hands of a man who has used me so ill: I have no friends
 “ I depend on more than the English; their former behaviour to me
 “ will make me ever respect and regard them; now is their time to
 “ be in possession of a country abounding with riches and treasure; *I*
 “ *shall be satisfied with whatever share they please of it.* The Rohillas
 “ were always enemies to the imperious Vizier: they are all my
 “ friends.

The opening, which the arrival of the Mogul in the Company's
 Camp, afforded the Government of Bengal, for the further promo-
 tion of territorial aggrandizement, could not be overlooked: We ac-
 cordingly find that the following articles to be executed by the King,
 were enclosed in a letter, from the President and Council, at Bengal,
 to Major Hector Munro, Commander in Chief of the Army *.

“ In consideration of the assistance and fidelity of the English Com-
 pany, which has freed us from the inconveniences we laboured under,
 and strengthened the foundations of the empire, which God has given
 us, we have been graciously pleased to grant to the English Com-
 pany our royal favours, according to the following articles, which
 shall remain firm, both in present and in future.

“ As the English Company have been put to great expencé, and
 their affairs exposed to danger, by the war, which the Nabob Shujah-

* December 6, 1764.

ul-Dowlah unjustly, and contrary to our royal pleasure, waged against them; we have therefore assigned to them the country of Gauzepoor, and the rest of the Zemindarry of Bulwant Sing, belonging to the Nizamut of the Nabob Shujah-ul-Dowlah; and the regulation, and government thereof, we have given to their disposal, in the same manner as it was in the Nabob Shujah-ul-Dowlah's; the aforesaid Rajah, having settled terms with the Chiefs of the English Company, is according thereto to pay the revenues to the Company; and the amount shall not belong to the books of the Royal Revenue, but shall be expunged from them.

“ The army of the English Company, having joined our standard, shall put us in possession of Illiabad, and the rest of the countries, belonging to the Nizamut of the Nabob Shujah-ul-Dowlah; and the revenues, excepting those of Rajah Bulwant's Zemindarry, shall be in our entire management and disposal.

“ As the English Company will be at a further expence in putting us in possession of Illiabad, and the rest of the Nizamut of the Nabob Shujah-ul-Dowla, we will therefore, as we get possession, grant to them, out of our treasury, such a proportion of the revenues as the exigencies of our affairs will admit of; and when we are put in full possession, we will reimburse the whole expences of the Company in this business, from the time of their joining our Royal Standard.”

The Mogul, in the desperate situation of his affairs, was eager to ratify these conditions *. Orders were immediately issued for a royal Firmaun, granting to the Company every thing they had desired.

The thirst of power, insatiable in itself, was by no means, as yet, fully satisfied; and the death of the old Nabob of Bengal, Jaffier

* December 29, 1764.

Ally Khan *, 'was another circumstance extremely favourable to the views of the Company.

Agreeably to Oriental custom, it was necessary to support the pageantry of a prince, however much he might in other respects be subordinate to that power by whose superior authority and influence he was supported †. The son of the late Nabob was called to the Musnud, but under restrictions extremely beneficial to the Company.

The newly created Nabob, Nubjum-ul-Dowla, engaged the Company to secure to him, by treaty ‡, "the Soubahdarry of the provinces of Bengal, Bahar, and Orissa; and to support him therein with the Company's forces against all his enemies. Also, at all times to keep up such force as might be necessary effectually to assist and support him, in the defence of the provinces; and as the English troops would be more to be depended on than the Nabob's, and less expensive to him, he was therefore to entertain none but such as were requisite for the support of the Civil Officers of his Government, and the business of his collections through the different districts.

It was further agreed, "That in consideration of the Nabob continuing to assist in defraying the extraordinary expences of the war, carrying on against Shujah-ul-Dowla, with five lacks of rupees (or £.62,500) *per* month, agreed to by his father; that whatever sums might be hereafter received of the King, on account of our assistance afforded him in the war, should be repaid to the Nabob."

* January 14, 1765.

† This saice is still carried on.—Both Hyder Ally and his son, Tippoo Sultaun, thought proper to preserve the King of Mysore, and to shew him once a year to his subjects. The Mharattas do the same thing with the Rham Rajah, at Sattarah.

‡ February 20, 1765.

On the part of the Nabob it was agreed, " That in consideration of the assistance of the Governor and Council, in securing to him the succession in the Soubahdarry of Bengal, Bahar, and Orissa, heretofore held by his father the late Nabob Meer Jaffier Ally Khan, and supporting him in it, against all his enemies, he should regard, as his own, the treaty, which his father formerly concluded with the Company, upon his first accession to the Nizamut, engaging to regard the honour and reputation of the Company, and of their Governor and Council, and granting Perwannahs for the currency of the Company's trade.

" That considering the weighty charge of government, and how essential it was for him, for the welfare of the country, and for the Company's business, that he should have a person, who has had experience therein, to advise and assist him, it was agreed to have one fixed with him, with the advice of the Governor and Council, in the station of Naib Soubah, who should accordingly have immediately under him the chief management of all affairs.

" That the business of the collections of the revenues should be under the Naib Soubah, be divided into two or more branches, as might appear proper; and as the Nabob professed the fullest dependence and confidence on the attachment of the English, and their regard to his interest and dignity, and being desirous of giving them every testimony thereof, he further consented that the appointment and dismissal of the Muttasaddes of those branches, and the allotment of their several districts, shall be with the approbation of the Governor and Council; and considering how much men of rank and station, are obliged to trust to the eyes and recommendations of the servants about them, and how liable to be deceived, it was his further will, that the Governor and Council should be at liberty to

object, and point out, when improper people are entrusted, or where his officers and subjects were oppressed.

“ To confirm to the Company, as a fixed resource for defraying the ordinary expences of their troops, the Chucklas of Burdwan, Midnapore, and Chittagong, in as full a manner as they had been ceded to the Company by his father, and also so long as might be required and necessary, to continue the payment of the five lacks of rupees *per* month; and as he considered the Company's troops entirely equal to the defence of the provinces, he was only to maintain such as were immediately necessary for the dignity of his person and government, and for collecting the revenues.

“ Although he should occasionally remove to other places in the provinces, that the books of the Sircar should always be kept, and the business conducted at Moorshedabad, and that should as heretofore be the seat of his Government: that an English gentleman should reside with him, to transact all affairs between him and the Company, and that a person of high rank should also reside on his part at Calcutta, to negotiate with the Governor and Council.

“ The rupces, coined in Calcutta, to pass in every respect equal to the Siccas of Moorshedabad, without any deduction of Batta; and whosoever should demand Batta shall be punished.

“ No Europeans whatever to be entertained in his service, and if there already was any, they should be immediately dismissed.

“ To confirm the Treaty, which his father formerly made with the Dutch.

“ *If*

“ If the French came into the country, not to allow them to erect any fortifications, maintain forces, or hold lands, Zemindarries, &c. but to pay tribute, and carry on their trade as in former times.”

The above conditions fettered the young Nabob, and placed in the hands of the Company nearly the sole sway over the fertile province of Bengal. But it was reserved for the successful administration of Lord Clive to gain the climax of territorial sovereignty and wealth.

Amongst the first public acts of his Lordship as Governor of Bengal, for he had only arrived at Calcutta the beginning of the year *, was one, which the declining power of Shujah-ul-Dowlah rendered practicable. This prince, during the war, had been worsted in almost every engagement. His Lordship listened to overtures of accommodation; and, by one *grand coup*, acquired to the Company and the Nation the DEWANEE OF BENGAL, BAHAR, AND ORISSA, a circumstance which, for brilliancy and effect, is unexampled, and which can never be forgotten in the annals of our history, or fail to demand the gratitude and applause of Great Britain.

Firmaund from the King SHAH AALUM, granting the Dewannee of Bengal, Bahar, and Orissa, to the Company.

“ At this happy time our royal Firmaund, indispensibly requiring obedience, is issued; that whereas, in consideration of the attachment and services of the high and mighty, the noblest of exalted nobles, the chief of illustrious warriors, our faithful servants, and sincere well-wishers, worthy of our royal favours, the English Company, we have granted them the Dewannee of the provinces of Bengal, Bahar, and Orissa, from the beginning of the Fushul Rubby of the Bengal year 1172, as a free gift and Ultumgau, without the affo-

* 1765.

ciation

ciation of any other person, and with an exemption from the payment of the customs of the Dewannee, which used to be paid by the court. It is requisite, that the said Company engage to be security for the sum of twenty-six lacks of rupees (or £.325,000) a year, for our royal Revenue, which sum has been appointed from the Nabob Nudjum-ul-Dowla Behauder, and regularly remit the same to the royal Sircar; and in this case, as the said Company are obliged to keep up a large army, for the protection of the provinces of Bengal, &c. we have granted to them whatsoever may remain out of the revenues of the said provinces, after remitting the sum of twenty-six lacks of rupees to the royal Sircar; and providing for the expences of the Nizamat. It is requisite, that our royal descendants, the Viziers, the bestowers of dignity: the Omrahs, high in rank; the great officers, the Muttasaf-dees of the Dewannee, the managers of the business of the Sultanat, the Jaghiredars and Croories, as well the future as the present, being their constant endeavours for the establishment of this our royal command, leave the said office in possession of the said Company, from generation to generation, for ever and ever: Looking upon them to be insured from dismissal or removal, they must on no account whatsoever give them any interruption, and they must regard them as excused and exempted from the payment of all the customs of the Dewannee, and royal demands: Knowing our orders on the subject to be most strict and positive, let them not deviate therefrom.

“ Written the 24th of Sophar, of the 6th year of the Jaloos, the 12th of August, 1765.”

Contents of the Zimmun.

“ Agreeably to the paper, which has received our Sign Manual, our royal commands are issued, that, in consideration of the attachment and services of the high and mighty, the noblest of exalted nobles,

bles, the chief of illustrious warriors, our faithful servants, and sincere well-wishers, worthy of our royal favours, the English Company, we have granted them the Dewannee of the provinces of Bengal, Bahar, and Orissa, from the beginning of the Fushul Rubby of the Bengal year 1172, as a free gift and Ultumgau, without the association of any other person, and with an exemption from the customs of the Dewannee, which used to be paid to the court, on condition of their being security for the sum of twenty-six lacks of rupees a year, for our royal Revenue; which sum has been appointed from the Nabob Nudjum-ul-Dowla Behauder; and after remitting the royal Revenue, and providing for the expences of the Nizamut, whatsoever may remain we have granted to the said Company.

“ The Dewannee of the Province of Bengal.

“ The Dewannee of the Province of Bahar.

“ The Dewannee of the Province of Orissa.”

Besides the above general Firmaund and Zummin, there was a particular one for each of the provinces, and also a Firmaund and Zimmin for the departments of Burdwan, Midnapore, and Chittagong, with the twenty-four Purgunnahs of Calcutta; concessions made to the East India Company in the time of the Nabobs Jaffier Ally Khan and Meer Cossim, but not before confirmed by the Mogul.

In consequence of these arrangements, the following articles of agreement between the King Shah Aalum and the Company were entered into:

“ The Nabob Nudjum-ul-Dowla agrees to pay his Majesty, out of the revenues of Bengal, Bahar, and Orissa, the sum of twenty-six lacks of rupees (or £. 325,000) a year, without any deduction for Batta, on bills of exchange, by regularly monthly payments, amounting to rupees,

216666.10.9 (or £.27,083) *per* month; the first payment to commence from the first of September, of the present year; and the English Company, in consideration of his Majesty's having been graciously pleased to grant them the Dewannee of Bengal, &c. do engage themselves to be security for the regular payment of the same: It shall be paid month by month from the factory at Patna to Rajah Shitabroy, or whomsoever his Majesty may think proper to nominate, that it may be forwarded by him to the court: But in case the territories of the aforesaid Nabob should be invaded by any foreign enemy, a deduction is then to be made out of the stipulated revenues, proportionable to the damage that may be sustained.

“In consideration of Nudjuf Khan's having joined the English forces, and acted in his Majesty's service in the late war; his Majesty will be graciously pleased to allow him the sum of two lacks of rupees a year, to be paid by equal monthly payments, the first payment to commence from the first of September of the present year; and in default thereof, the English Company, who are guarantees for the same, will make it good out of the revenues allotted to his Majesty, from the territories of Bengal: If the territories of Bengal should at any time be invaded, and on that account a deduction be made out of the royal revenue; in such a case a proportionable deduction shall also be made out of Nudjuf Khan's allowance.

“Dated the 19th of August, 1765.

“Fort William, Sept. 30, 1765.”

As the new agreement with the Mogul in a great measure superseded the authority of the Nabob of Bengal, it became necessary to have a clear understanding with him, and to satisfy his claims in regard to the provinces now in the actual possession of the Company. We accordingly find an agreement between the Nabob Nudjum-ul-Dowla and the Company to the following purport:

“ The King, having been graciously pleased to grant to the English Company the Dewannee of Bengal, Bahar, and Orissa, with the revenues thereof, as a free gift, for ever, on certain conditions, whereof one is, that there shall be a sufficient allowance out of the said revenues for supporting the expences of the Nizamut: Be it known to all whom it may concern, that I do agree to accept of the annual sum of sicca rupees 5386131.9, (or £.673,266) as an adequate allowance for the support of the Nizamut, which is to be regularly paid as follows, viz. the sum of rupees 1778854.1, (or £.222,331) for all my household expences, servants, &c. and the remaining sum of rupees 3607277.8, (or £.450,909) for the maintenance of such horse, Sepoys, Peons, Bercundassies, &c. as may be thought necessary for my Sewaury, and the support of my dignity only, should such an expence hereafter be found necessary to be kept up, but on no account ever to exceed that amount: And having a perfect reliance on Maen-ul-Dowla, I desire he may have the disbursing of the above sum of rupees 3607277.8, for the purposes before-mentioned. This agreement (by the blessing of God) I hope will be inviolably observed, as long as the English Company's factories continue in Bengal.

“ Fort William, Sept. 30, 1765.”

We have already mentioned that Lord Clive was the principal means of so large an accession of revenue flowing into the treasury of the Company, and that too supported by the most legal and valid instruments procurable in Hindoostan, viz. *the authority and sanction of the Mogul*. Neither were the services of Lord Clive neglected by that enfeebled and dependent Monarch. His Lordship was graced with the Oriental rank of Munsub, a dignity of a military description, conferring the command of 6,000 infantry and 5,000 cavalry under the EMPIRE OF HINDOOSTAN. The titles conferred were consonant to the sonorous and high sounding language of the Persians, which at Dhely was the language of the court. Nor were these titles all the

due to the merit of Lord Clive; a Jaghire of £.27,000 *per annum* was assigned to him to support his new dignity, the perpetuity whereof was confirmed to the Company.

About this time *, the Nabob of Bengal, Nudjum-ul-Dowla, died, and was succeeded in the Musnud by his brother, Syef-ul-Dowla. On his succession, the Governor and Council of Calcutta engaged to secure to him the Soubahdarry of the provinces of Bengal, Bahar, and Orissa, and to support him therein, with the Company's forces, against all his enemies.

The Nabob, on his part, agreed to abide by, and confirm the treaty which his father and brother had formerly concluded with the Company, upon their first accession to the Nizamut, engaging to regard the honour and reputation of the Company, and of the Governor and Council, as his own.

“ That the King having been graciously pleased to grant unto the English East India Company, the Dewanneeship of Bengal, Bahar, and Orissa, as a free gift for ever; and having an entire confidence in them, and in their servants, settled in Bengal, that nothing whatever might be proposed, or carried into execution by them, derogating from his honour, dignity, and interest, and the good of the country, the Nabob agreed, for the better conducting the affairs of the Soubahdarry, and promoting his honour and interest, and that of the Company, in the best manner, that the protecting the provinces of Bengal, Bahar, and Orissa, and the force sufficient for that purpose should be entirely left to their discretion and good management, in consideration of their paying the King Shah Aalum, by monthly payments, as by treaty agreed on, the sum of rupees, 21666610.9 (or £.27,083); and to himself, Syef-ul-Dowla, the annual stipend of rupees 4186131.9

(or £.523,254); viz. the sum of rupees 1778854.1, (or £.222,331) for house, servants, and other expences indispensably necessary; and the remaining sum of 2407277.8, (or £.300,909) for the support of such Sepoys, Peons, and Bercundaffes, as might be thought proper for his Asswarry only; but on no account ever to exceed that amount."

"The Nabob Minauh Dowla, who was, at the instance of the Governor and Gentlemen of the Council, appointed Naib of the provinces, and invested with the management of affairs, in conjunction with Mah Rajah Doolubram, and Juggat Seat, should continue in the same post, and with the same authority; and having a perfect confidence in him, he moreover agreed to let him have the disbursing of the above sum of 2407277.8, for the purposes above-mentioned."

Dated the 19th of May, 1766.

It appears that the government of Bengal had become jealous of the Nabob Vizier, and perhaps too alarmed at the increasing state of his army; for, on the 29th day of November, the following treaty or agreement between the Company and the Vizier Shujah-ul-Dowla was concluded at Benares.

"Whereas unbecoming rumours have been propagated abroad, which tend to the interruption of the firm friendship, union, and confidence, formerly established between his Highness, the Nabob Shujah-ul-Dowla, Vizier of the Empire, on the one part; and the Right Honourable Robert, Lord Clive, and General John Carnac, in behalf of the deceased Nabob Nudjum-ul-Dowla, late Soubahdar of Bengal, Bahar, and Orissa, and the English Company, on the other part; Harry Verelst, Esq. President and Governor of Fort William, and the Council thereof, with a view to the removal of all causes of jealousy and disagreement, and the confirmation of a good disposition on both sides, have deputed John Cartier, Colonel Richard Smith, and

Russel, three Members of the Council, from Calcutta, personally to confer with his Highness; and whereas the aforesaid John Cartier, Colonel Richard Smith, and Claud Russel, after effecting an interview with his Highness, have reason to be satisfied with his steady attachment to the English; they therefore, in behalf of his Excellency, the Nabob Syef-ul-Dowla, Soubahdar of Bengal, Bahar, and Orissa, and the English Company, renew and confirm the former treaty, letter by letter, and article by article; and his Highness, the Nabob Shujah-ul-Dowla, doth likewise renew and confirm the said treaty; and moreover, out of a pure desire effectually to eradicate all doubts and jealousies, to establish the present harmony on the most durable basis, and to confirm the former treaty, doth consent and agree, that the following words shall be inserted as an explanatory clause in the said treaty: It is, by the advice and consent of the President and Council, agreed, that his Highness shall not entertain a number of forces, exceeding 35,000 men, whether Sepoys, Cavalry, Peons, Artillery Men, Rocket Men, or troops of any denomination whatever; of this number 10,000 are to be cavalry, ten battalions of Sepoys, including Soubahdars, Jemidars, Havildars, and all ranks of officers, not to exceed 10,000 men: The Nujib regiment, consisting of 5,000 men, with matchlocks, to remain always in its present establishment, 500 men for the artillery, and that number never to be exceeded; the remaining 9,500 men are to be irregulars, neither to be clothed, armed, or disciplined, after the manner of the English Sepoys, or Nujib regiment; and his Highness also engages to arm none of his forces, besides the 10,000 men mentioned in this treaty, after the English manner, nor to train them in the discipline of the English troops; in consideration thereof, the said John Cartier, Colonel Richard Smith, and Claud Russel, engage, in behalf of his Excellency, the Nabob Syef-ul-Dowla, and the English Company, that whilst his Highness, Shujah-ul-Dowla, and his successors, shall abide by the articles of this treaty, neither the present Council of
Fort

Fort William, nor any future Council, shall hereafter introduce any new matter relative hereto, besides what has been formerly agreed to, and is now concluded upon; and both parties shall consider this agreement as firm and binding: His Highness aforesaid shall swear upon the Koran, John Cartier, Colonel Richard Smith, and Claud Ruffel, upon the Gospel, never to infringe the minutest part or meaning hereof, and to maintain it themselves, and to transmit it inviolable to their posterity."

To these conditions, the Vizier consented in the following terms: "I promise to disband all the troops which I now entertain, exceeding the number of 35,000 horse and foot, and to comply with all the articles stipulated in the treaty, within the space of three months."

The beginning of this year*, the Nabob Syef-ul-Dowla died at Moorshedabad, and was succeeded by his brother, Mebarek-ul-Dowla, third son of the old Nabob Jaffier Ally Khan. The requisite forms of a treaty were entered into between the Company and Mebarek-ul-Dowla†, by which he ratified and confirmed all former treaties and grants in the same manner as his father and brothers had done before him. The establishments allowed his predecessor were confirmed to him, and he entered on the Musnud with the complete approbation of the English East India Company.

Let us here pause, and contemplate the situation of the Company's government in Bengal.—By grants from the Mogul, as has already been shewn, it was at this period in the full possession and undisturbed enjoyment of the Dewannee of Bengal, Bahar, and Orissa, together with the districts of Burdwan, Midnapore, and Chittagong. The Nabob of Behgal was entirely under its authority. The Nabob

* 1770.

† March 21, 1770.

of Oude, with a yearly revenue of three millions and a half, submitting to the ignominious terms imposed by the English, and the MOGUL HIMSELF a pensioned dependent. To such a pitch had the servants of the Company established the lustre and power of that commercial body.

The Mogul, who had Allahabad allotted him for his Imperial residence, perhaps from disgust at his degraded situation, left the protection of the English*, and went to Dheli, of which the Mharattas had possessed themselves. By this step the Mogul forfeited the stipulated pension, which now ceased to be paid †.

The approach of the victorious Mharattas towards the province of Oude filled Shujah-ul-Dowla with apprehensions for the safety of the country. Circumscribed in the number of his troops ‡; he eagerly sought the assistance of the English, whose interest it was to defend his dominions, as the barrier of their own territory. A brigade of the Company's forces obliged the Mharattas to retire towards Dheli, where the unfortunate Mogul, in his own capital, was little better than a prisoner of state.

The death of Shujah-ul-Dowla, and the accession of his son, Ausaph-ul-Dowla, placed the Nabob of Oude in a situation nearly similar to the Nabob of Bengal. His revenues are appropriated to the payment of a British force for the protection of the province; and he regards at the present moment the English as the certain guarantee for his continuance in the exalted, though circumscribed circle in which he is allowed to move.

Since this period, the ambition of conquest on the side of Bengal has been lulled to rest; and we are hopeful that the wise and lenient

* March, 1771.

† February, 1772.

‡ Vide page 44, Appendix.

measures

measures directed by the British Parliament, particularly the introduction of the High Court of Judicature, aided by the able administration of Mr. Hastings and his successors, has not only considerably lessened the miseries of the inhabitants of these fertile provinces, but even meliorated their condition, and assuaged the recollection of the sudden and unexpected transition of sovereignty from the native princes of the country to a distant people.

B O M B A Y.

We have already taken notice of Bombay, as being a small island on the coast of Malabar, or, more properly speaking, "the Coast of Conkan," which was ceded by Charles the Second to the East India Company. Its value, in point of territory, was trifling; its dimensions scarcely exceeded twenty miles in circumference: besides cocoa nuts, and a little rice, it is only remarkable for its horticultural productions. The bay and harbour is noble and spacious. It is not to be equalled in all India for its docks for shipping, for its marine-yard, and excellent artificers, as well as for the materials for repairing and building of ships, brought from Europe, and different parts of that extensive continent.

Bombay, from these considerations, becomes of great importance and utility to the British interests in India. Besides the advantages which have been already enumerated, Bombay may be considered,—

1st, As the centre of our trade from the more northern parts of India, the Mharatta country, the Gulph of Persia, and the Red Sea.

2dly, As a valuable dock-yard for our ships of war, Indiamen, and country trade.

3dly, As a commodious and convenient harbour for refreshments and water for the use of the ships that protect our trade in the Indian Seas, and a healthy establishment for the sick and convalescent.

4thly, As a garrison of great respectability and strength on the western side of India, and as a rallying point in cases of emergency, where possession is at best precarious and uncertain.

The island of Bombay, for many years after it came into the possession of the English East India Company, was reckoned extremely unhealthy; but, notwithstanding this circumstance, so unfavourable to the first settlers, its situation, central for commerce, and eligible in the other respects which we have already enumerated, was for a length of time esteemed the chief British settlement in the East. That Bombay was entitled to this distinction is very obvious. The island was held by the Company in fee simple under the crown of Britain, by which means the Company became the absolute proprietors of the soil, and this possession was regarded by them as an unalienable freehold, derived from a source fair and unequivocal. From these considerations, as well as from the tenure itself, the Governors appointed by the Company were, generally speaking, men of consideration. Their title was that of General; while that of Lieutenant-General was bestowed on the Governor of Madras, at this period, subject to the orders of the Council of Bombay. These circumstances, without remarking too far, plainly shew the great desire the Company possessed from the beginning of their establishments in the Eastern hemisphere, of rearing a regular military government in those parts; a desire founded on the advantages which Eastern establishments alone could give.

Bombay, for a very considerable period, was too circumscribed to admit of any material warlike achievements: it could only be noticed
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by its interference and partial bickerings with the piratical chiefs, with whom the coast of Malabar and the northern provinces on that side of India particularly abound. Its naval force made it always respectable; and we find it on all occasions of considerable consequence in the desultory proceedings of these depredators, in which they were sometimes principals, but more frequently the umpire and judge. Bombay, in this respect, may, with great justice, be compared to the ancient republic of AMALRI, where all the commercial nations which surrounded the Mediterranean Sea, and even the Imperial city of Constantinople itself, resorted for equitable and competent decisions in maritime disputes.

We can discover but little inclination, or indeed ability, to form any thing like a continental possession on this side of India till the year 1756. At this period, highly interesting to Bombay, Admiral Watson, who commanded his Majesty's squadron in India, reduced the pirate ANGRIA, and dispossessed him of his stronghold on the coast of MALABAR. The Mharattas were pleased to get rid of an unruly dependent, who, in fact, had thrown off his allegiance, and who, from the strength of his fort, and his naval pre-eminence, had become extremely obnoxious to that government.

The country immediately in the vicinity of Gheriah, the port of Angria, is very unfruitful. In consequence of this circumstance, it was by no means a desirable acquisition for the small island of Bombay, which had been frequently much straitened for provisions, and was at all times dependent on the Mharattas for a supply, and liable to the greatest distress by their refusal.

The necessity, therefore, of a fertile district in the neighbourhood of Bombay, where in particular, cattle was procurable, became to Government a material object. A small fort, about 70 miles to the southward of Bombay, and which commanded a large navigable river,

presented itself as the most eligible situation that could be received in exchange for the fort of Angria. A negociation, which had been previously concerted with the Mharatta government, was now concluded, and which rendered Bombay more independent of the native powers, and enabled the island to draw supplies from its own sources. Mr. Byfield and Mr. Spencer, two civil servants of long standing on the Bombay establishment, were empowered to ratify and confirm a treaty between the East India Company and the Mharatta government at Poona *, to the following purport :

“ That the Mharatta Government will never permit the Dutch to settle, or come into their dominions; but, on the contrary, issue express orders to prevent their carrying on any trade therein.

“ As an article, regarding Mahim river, was included in the treaty, made in the time of the deceased Badjerow, and it having been represented that the Bundorah Coolies have of late begun to set up new fishing stakes, which they ought not to have done in that river, the Mharatta Government do hereby oblige themselves not to permit thereof in future.

“ As Bancoote and Hematgur have been delivered to the Honourable Company, the Mharattas give them the following villages, towards defraying the expences thereof, and which are to remain the said Honourable Company's property for ever, and of which they are to be put in possession without further delay, viz.

Velas Bag, Manly, Vefwee, Chepolee, Coodook, Pundarree, Panam, Dasgom, and Comela.

“ It having been a custom, during the governments of Angria, and the Mharattas at Bancoote, that the Sciddees received a clout,

* October 12, 1756.

or quarter part of the customs, the Mharattas engage to satisfy the Sciddee in this particular, and that the Honourable Company do not meet with any embarrassment concerning it, nor concerning the royalty of the river of Bancoote, which is hereby given and made over to them for ever: in case the Sciddee should dispute complying with the foregoing, the English declare it shall not retard the compliance with what may be mentioned in these articles, concerning the delivery of Gheriah.

“ Customs are to be levied, by the Mharattas, on goods which pass up the river of Bancoote, only at Gorgom and Marr, and not any let or impediment in any of the intervening places, in the said river of Bancoote.

“ As Dasgom is a pass for the Verjarrahs, or country merchants, the Mharattas engage that such goods as are carried that way to Marr, either by the river or by land, shall not pay any duties there, but only the usual Nickolla.

“ All such subjects and inhabitants of Bancoote, Hematgur, and its dependencies, as, on account of the dispute with Angria, retired to the Mharatta territories, shall, if they are content so to do, be allowed to return to the English, without any impediment from the Mharatta Government; and others, that in future may leave the English, are to be permitted to return again, if agreeable to them, in the manner above-mentioned: And such subjects as shall leave the Mharatta Government, and retire to Bancoote, shall have liberty to return to the Mharattas again, on their agreeing with them, and in such case the English will not impede them.

“ The Mharattas may export, from the river of Bancoote annually, for the use of their southern forts, &c. grain of all kinds, to the

value of forty thousand (40,000) rupees, and it shall be free from customs at Bancoote; they shall also have liberty to export, custom free, such salt, rafters, small timbers, &c. as they may want for the use of their Sircar or Government: And in consideration thereof, the Honourable Company's goods, to the amount of one hundred and fifty thousand (150,000) rupees, shall annually, in like manner, be free from all customs, as far as Poonah, upon Dalcaas, or certificates, being produced on both sides.

“ No additional inland duties whatever to be levied on the English goods, by the Mharatta Government, but only the Rhaderage customs.

“ The Dutch goods will not be permitted to be landed at Rajahpore, nor their trade suffered to be carried on there, concerning which the Mharattas will give proper orders: And the people, under the Mharatta Government, are not to trade at Rajahpore, but if disputes arise with the Sciddee, this is to be no obstacle to the delivery of Gheriah, as will be mentioned in a subsequent article.

“ The Bramins, inhabitants at Hurry Hurrafecar, and others that will pass to and from thence on pilgrimage, are to be free from paying customs, in regard to the necessaries that they may have for their own use, or to perform their ceremonies; but this does not extend to merchandize.

“ The Mahar Government to carry grain of all kinds, timber, wood, &c. according to the custom formerly observed; but as to the power of the river, it is to be carried on agreeable to the articles of this Treaty.

“ The

“ The Fort of Eswant Gur is to be entirely demolished, and the English on their parts are not to make any forts, or fortifications, within the nine villages, nor by the river: In like manner, the Mharatta Government are not to make any by the river of Bancoote, or in the villages belonging to them. This article, however, is not to exempt the English from building such houses and warehouses as they think proper, in the villages belonging to them.

“ As all the royalty of Bancoote and Hematgur is with the English, they are to take care, as much as in their power lies, to prevent the enemy prejudicing the Mharattas through that river.

“ Gheriah Fort to be delivered within twenty-four days after the departure of the English gentlemen from Poonah, together with such guns, balls, stores, &c. either of the fort or fleet, that the captors left for the service of the garrison or otherwise, or did not themselves sell; but the stores, ammunition, &c. that properly belong to the Honourable Company, they are to carry away with them. The officers of Toolajee are to go where they please, and if his family (wife and children) should be desirous of returning to him, the English will not impede it, but grant them free liberty so to do: And the Mharatta Government engages, that Toolajee Angria shall have no place given him, nor any power below the Gaut: Ballajee, Badjerow, Pundit, Purdhaun, is to send an officer of credit with the English gentlemen, who is to proceed with one of the Council from Bombay to Gheriah, which person, belonging to the Mharatta Government, is to have in his possession the proper Sunnuds and orders, regarding the delivery of Bancoote, and its villages; and when the Mharatta people and colours are got into Gheriah, and the English ready to go out, he is to deliver directly the said Sunnuds and orders, for Fort Victoria (or Bancoote) and its several villages, to the English
Coun-

Counsellor, and then return with that gentleman to Bancóote directly, to see Nannah's orders are effectually executed, in regard to the villages.

“ These Articles being concluded and agreed upon by both Parties, they are to act conformable thereto, in consequence of which all disputes are to subside, and no claims are to be made by the Mharatta Government on the Honourable Company.

“ All Treaties hitherto made, between the Mharatta Government and the English, are to be observed and maintained inviolable by both parties, agreeable to the tenour of them.”

From this time forward Bombay began to extend its connection on all sides, but it was more in the way of commercial arrangement, than territorial aggrandizement.

The war with France, which was rekindled in Europe in 1756, gave serious cause for alarm to the government of Bombay, not on account of any apprehensions they entertained for the safety of the island, which by this time was regularly and strongly fortified, but for their factories on the coast of Malabar, and particularly that of Tillicherry, the principal seat of commerce belonging to the Company in that quarter.

Tillicherry was itself incapable of defence against an European force, and its loss would have deprived the East India Company of a very valuable branch of trade in pepper, cardamums, and sandal wood.

The French, repulsed in the Carnatic in the preceding wars, where the power and influence of the English were proportionally strengthened, they had probably but little hopes of success in that part ;

consequently an attack on the weakest and most vulnerable possessions of the Company, became the most probable. The government of Bombay, viewing in this light the situation of public affairs, formed an alliance offensive and defensive with the Prince of Cherrika. It was stipulated *, “ That if the French, or any other power, should come against the English Company, in any part of the dominions of the King of Colastria, which extends from Canharottu north to the river of Cotta south, the Prince of Cherrika is to assist the Company with all his people and arms, and to use his influence to get succours likewise from the other powers.

“ Immediately on the appearance of a French fleet, the Prince of Cherrika should send fifteen hundred musqueteers, to the assistance of the Company, with such others after them as he could procure: And in case a large English force came to Tellicherry, and the Chief of Tellicherry requested the Prince of Cherrika to afford his assistance to expel the French, who were already settled, from the country, he was readily to give it to the best of his ability, on its being previously settled what *part of the gain* he (the Prince) is to have, should the English prove successful.

“ If the French or any other power, came against the Prince of Cherrika, the English Company were to assist him with armed people, balls, powder, and loans of money.”

Fortunately, there was no cause for apprehension; for the French, fully occupied in the Carnatic, had not a sufficient force to enable them to make any attempt on the Coast of Malabar.

Commercial policy was at this period † better suited to the situation and resources of Bombay, than martial pursuits; and we

* 1756.

† 1758.

accord-

accordingly find very great attention paid by that government to commercial treaties with the native powers.

This year the Rajah of Bringah gave the Company leave to build warehouses without any fees or ground rents; to maintain Sepoys, and to mount small cannon on the walls for the protection of the Company's property. In the like manner commercial treaties were entered into between the government of Bombay and *Golam Shaw Abassie Prince of Scindy*, by which the Company were permitted to enjoy factories at *Tattah* or *Aurunga Bunder*, together with certain privileges in regard to trade *.

The once famous city of Surat, which lies to the northward of Bombay, in a rich and plentiful country, was at this period the great mart of Asiatic commerce. It had long been the rival and envy of Bombay. Frequent intercourse between the two places, and a knowledge of the inhabitants, acquired by the gentlemen of the English factory long established in the city of Surat, led to a proposition very gratifying to the ambition of the Company's servants.

The trade of Surat was supposed to be protected by a fleet, nominally the *Moguls*. The admiral of this fleet, originally appointed by Aurungzebe, besides the customs received on all merchandize, had a salary allotted him out of the revenues of Surat, for defraying the expences of the marine establishment.

In the reign of Mahomed Shaw, the office of Admiral of the fleet was placed in the hands of Sciddee Jacob Khan, an enterprising and expert seaman, who was Kelledaur of a small fort, named Dunda Rajahpore, on the Coast of Malabar. This place was a little inde-

* 22d September, 1758, and 11th and 18th December, 1758.

pendent piratical state. But such was the imbecility of the Mogul Empire, that the high office of Admiral of his Fleet was filled by a public depredator, with an allowance annexed, of two lacks of rupees (£.25,000) *per annum*.

The Sciddee, whose disposition was naturally overbearing, assumed to himself a considerable degree of power over the castle and city of Surat. The Nabob and principal inhabitants looked to the Company for protection against the arbitrary conduct of the Sciddee. The result of which is detailed in a representation made to the Mogul, by Mr. Spencer, in behalf of the East India Company, wherein it was stated, “ That, by virtue of Royal Firmaunds from his Majesty’s predecessors, the English hitherto enjoyed favour at Surat, and carried on their business in a reputable manner, till in these days that the Sciddee, usurping an undue authority in the town, used it to the ruin of the City in general, the lives and properties of his Majesty’s subjects being made light of by them, and they even proceeded so far as to take away the lives of our people, in direct breach of his Majesty’s Firmaund; and in short, instead of being the protectors of the place, became the oppressors of it, to such a degree, that the just orders of the Mogul were no ways regarded in this City; and things were come to this pass, that though, in consideration of the Tanka, the Sciddee was to protect the bar, yet so far was he from doing so, that, for many months past, a large fleet of Sancrajee Punt’s, Ballajee Row’s Naib, had entirely shut up the bar, as did a large force by land, to the infinite detriment of the place and inhabitants in general, without the Sciddee’s interfering therein; and there was the greatest reason to believe, that unless some speedy and vigorous measures had soon been pursued, his Majesty’s famous City of Surat, the only port of good Mussulmen, to the tomb of your Prophet, would have been brought to shame: In such circumstances, the eyes of the whole town were cast on the Company, as the only persons of
h force

force sufficient to save the City from the calamities that it then felt, and was still threatened with ; and in consequence of their solicitations to Mr. Spencer, though the Company's business in those parts of the world was only trade and merchandize, and that they were not desirous of taking, or governing cities or countries, yet as all the inhabitants of this place, were earnestly desirous of it, and he saw it was for the good of the place he wrote to the General of Bombay on the subject, in such manner, that, at an immense expence, he sent hither, on our King's ships, a great force of good and experienced men, with a large quantity of artillery and other warlike stores of all sorts, with which Mr. Spencer had the happiness to procure safety to the City, and ease to the inhabitants, and procured an entire currency to his Majesty's orders, in the place."

The representation further stated, " That his Majesty's authority, would by means of the English be preserved in the place, as it used to be ; and that his Majesty might consider the English as desirous of receiving his orders, such being the intention of the Governor of Bombay, whose whole power should be used to maintain the castle which the English had possessed themselves of, for his Majesty ; and to preserve the bar and sea open, against all opposers, on his behalf ; neither should the Tanka, granted for this purpose, be given to others, as had hitherto been the case ; and since they having done this, the enemies that surrounded the place, both by sea and land, to its great prejudice, had been removed."

The representation concluded by an assurance on the part of the Company, " That they should be always ready for the safety of the Castle and City, with its inhabitants, and therefore hope for his Majesty's favour, in behalf of the Honourable English Company, for whose good services on this occasion, Mr. Spencer referred his Majesty to the representation of the inhabitants of the place."

In

In consequence of these well-timed exertions, the Mogul granted to the Company the office of Killedaur of the Castle and Bunder of Surat, and also the office of Admiral of the Fleet, together with the Tanka, or allowance of £.25,000 *per annum*, to support the expences of the fleet, besides the customary duties.

Notwithstanding these advantages, the Settlement of Bombay was still in its infancy. It is however very easily to be perceived, that no opportunities were lost to advance the commercial prosperity of that Presidency, nor was there any neglect on the part of its government, to strengthen its situation by alliances with native Princes of the country.

The principal efforts made in this way may be shortly comprehended under the several Treaties, Grants and Agreements, which, with the exception of the Khan of Persia, and the usurper Hyder Ally, were mostly entered into with Piratical Chiefs of the Coast of Conkan and the Rajahs of Malabar, who, previous to the invasion of Hyder, were independent sovereigns over the western shores of the peninsula from Cape Comorin to nearly the environs of Goa.

Amongst others we find, Articles of Agreement with the King of Cotiote, a Malabar power, in 1759, respecting commerce, and assistance against his enemies.

Firmaund from the Rajah of Soundah, a province a little distance to the southward of Goa, for the purchase of pepper for one year, granted in 1760.

Grant from the King of Colastria, on the Malabar Coast, for the purchase of pepper, and other matters: Also, his Majesty's obligation for paying several outstanding debts; both dated in 1760.

A Privilege granted by the King of Baddacalamcur, Regent of Colastria, in 1760, for collecting customs in his country.

Articles of Agreement with the Seiddee Hillol, Fouzdaur of Jaffarabad, in the Gulf of Cambay, in 1761, relative to trade.

Articles of Agreement with Govind Seuram Punt Tatia, for adjusting differences, subsisting between the Government of Poonah and the Sciddee of Gingerah, otherwise Dunda Rajahpore, dated in 1761.

Three Perwannahs from the Prince of Scindy, on the River Indus, in 1761, regarding trade.

Articles of Agreement with the King of Cartenad, a Malabar Prince, in 1761, as to purchasing pepper, and other matters.

Articles of Agreement with Shaik Saddoon, at Bushire, in the Gulf of Persia, dated in 1763, for establishing a Factory there.

Firmaund from the Nabob Hyder Ally Khan, of the Mysore, in 1763, relating to the establishment of a factory at Onore, and regarding commerce.

Royal Grant from Carem Khan, King of Persia, with respect to the trading at Bushire, and other places in his dominions, dated in 1763.

Articles of Agreement with the Bouncello, a Mharatta Chief, for ceding to him the Fort of Raree, taken from the Malwans, for establishing a factory within his dominions, with certain privileges of trade, and a Grant of revenues therein, dated in 1765.

It is here necessary to be observed, that the Malwans possessed a considerable number of armed vessels. These were fitted out from Raree and other ports belonging to that people, for the purpose of committing depredations on every vessel of inferior force: their
atrocities

atrocities and disputes with the Bouncello, a Mharatta Chief in their vicinity, rendered it necessary to abandon a small establishment formed by the Government of Bombay at Vingorla. An expedition was fitted out from Bombay against the pirates of Malwans, which terminated in the reduction of Rarce and other sea-ports on their coast. The treaty now alluded to, was intended to induce the Bouncello to become friends to the English; to guarantee to them the Fort of Sunderdoo, named by them Fort Augustus, together with the territory adjacent. By dismembering the power of the Malwans the Company thought to secure a fair and open trade with the interior country, which acknowledged the Bouncello as their Sovereign. But it does not appear that their expectations were either well-founded, or that they ever were realized: for we find in the year following every thing that remained in the possession of the Company was delivered up to the Rannie or Queen, for the sum stipulated in a treaty entered into between the Company and her, dated the 12th January, 1766.

Agreement with the Prince Regent of Cherrika, for the Company's enjoying the rents and revenues of the province of Randoterrah: Also, Declaration made by the Chief of Tellicherry, on that occasion; both dated 1765.

Articles of Agreement with the Rannie, Queen of the Malwans, a piratical state to the southward of Goa, concluded at Fort Augustus, in 1766, in regard to trade, and for the surrender of that Fort to her on payment of £.93,750.

Grant from the Nabob Hyder Ally Khan, confirming former Grants from other Malabar Powers, dated in 1766.

Treaty of Peace and Friendship, between the Governor and Council of Bombay and the Nabob Hyder Ally Khan, dated the 8th of August, 1770.

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The increasing power and military talents of Hyder Ally, prevented the Company from attempting any conquests in the neighbourhood of Tellicherry, the principal Settlement to the southward of Bombay, on the Coast of Malabar; and it was judged more expedient to commence hostilities nearer to the Presidency. The fall of Broach, a considerable city, with a small but rich territory, situated on the River Nerbuddah, forty miles to the northward of Surat, constituted the first military enterprize of any consequence under the Government of Bombay. But dissensions amongst the Mharatta Chiefs opened a door for interference on the part of the Company, of which the acquisition of the island of Salfette was the only fruit. Tannah, the principal fort, was attacked by the Bombay troops under the command of Brigadier General Gordon, and carried by assault. The island itself is only divided from that of Bombay by a narrow arm of the sea, and is extremely fertile. Bombay, on the contrary, rocky and barren, derived great advantages from the acquisition; it was no longer dependent for provisions on the Mharatta Government; Bancoot, to the southward, afforded abundance of live cattle, whilst Salfette supplied all the other necessaries of life in the greatest plenty.

It is unnecessary to our purpose to enter into the various detail of the Mharatta wars *, suffice it to say, that the English espoused the cause of Ragonath Row, in opposition to an infant son of his nephew Narrain Row. In this contest Ragonath Row met with nothing but misfortune, and the English little more than disappointment and disgrace. To appease the Mharattas, and to detach them from the formidable combination formed by the Nizam Ally Khan and Hyder Ally against the British power in India †. The Governor General, by the mediation of Mhadaja Scindia, concluded a treaty with the Government of Poonah, and yielded up to Scindia the fruitful provinces of Broach, as the reward of his interference.

* Vide The Analysis of India, by Mr. Sullivan.

1 1, 80.

The Establishment of Bombay was now evidently on the decline; for by the treaty with Tippoo Sultaun in 1784, every thing taken by the arms of that Presidency was restored, and it was bereft of Broach, as we have already shewn.

In the succeeding war with Tippoo Sultaun, Bombay was more fortunate*: on peace being concluded, a large extent of sea coast was annexed to the Establishment, yielding, in the time of the Nabob, a revenue upwards of £.30,000 *per annum* †. The fall of the power of Tippoo; of which we are living witnesses ‡, will add still more to the prosperity of Bombay, and enable that Presidency to enjoy an extent of sea coast from Cape Ramas, in the neighbourhood of Goa, to the north, to Cape Comorin and the island of Ceylon towards the south: but we cannot help recommending equity and moderation in the settlement of the country, and due regard to the interests of the former Princes of the Mysore, a race, amongst many others, degraded and ruined by the usurpation of Hyder Ally.

The means by which dominion is acquired, are not the same by which it can securely be maintained; the vigour and promptitude necessary in the one, must be ameliorated and harmonized in the other, by a love of justice, attention to the fair claims of individuals; and in general by that security and benevolence, which alone can demand the gratitude, or ensure the allegiance and affection of a conquered people, neither dead to feeling, nor immersed in barbarism.

Before taking leave of this short enquiry into the rise and progress of the East India Company in regard to their territorial possessions in India, we think it candid to observe, that the Company, in the early stages of their power, were entirely indebted to their civil and military servants abroad, for the exalted pre-eminence which they now en-

* 1791.

† 1792.

‡ 1799.

joy as delegated Sovereigns of British Hindoostan. And we shall conclude this part of the work by bringing under one view the resources and outgoings of that extensive, populous, and valuable country.

REVENUE OF BRITISH INDIA, WITH THE EXPENCES
ATTENDING THE POSSESSION.

Revenue of BENGAL,	-	-	£.5,703,906
Charges of possession,	-	-	<u>3,862,942</u>
Net Revenue,	-	-	£.1,840,964
Revenue of MADRAS,	-	-	£.1,996,328
Charges of possession,	-	-	<u>2,408,492</u>
Charges more than Revenue,	-	-	£.412,164
Revenue of BOMBAY,	-	-	£.315,937
Charges of possession,	-	-	<u>841,825</u>
Charges more than Revenue,	-	-	£.525,888
Total Revenue of British India,	-	-	£.8,016,171
Charges,	-	-	<u>7,113,259</u>
			£.902,912

N. B. It appears from the above statement for the year 1796-7 that neither Madras nor Bombay as yet pay their own expences, although the territories attached to those PRESIDENCIES, independently of the late conquest of MYSOR, are and have been in a progressive state of increasing revenue ever since the peace with Tippoo Sultaun in 1792. In particular the Malabar Coast, ceded to the Company by that Prince, which was expected to yield thirty lacks of rupees a-year (£.375,000), has hitherto not exceeded half that amount. MADRAS has had similar disappointments to contend with. The conclusion therefore is, that Bengal, after discharging the extra expences of MADRAS and BOMBAY, which amount to £.938,052, leaves a net revenue of £.902,912 *per annum*; out of which the supplies to Bencoolen, Penang, &c. are to be deducted, and which may annually amount to nearly £.100,000. But the overthrow of Tippoo, together with prudent management, must give fresh resources, and add considerably to the revenues of the Company.

NOTE

N O T E [C].

Abstract of an Act for continuing in the East India Company, for a further Term, the Possession of the British Territories in India, together with their exclusive Trade, under certain Limitations; for establishing further Regulations for the Government of the said Territories, and the better Administration of Justice within the same; for appropriating to certain Uses the Revenues and Profits of the said Company; and for making Provision for the good Order and Government of the Towns of *Calcutta*, *Madras*, and *Bombay*.

[11th June 1793.]

WHEREAS it is expedient that the exclusive trade of the United Company of Merchants of England trading to the East Indies, with the limits of their Charter, which, by an act, made in the twenty-first year of his Majesty's reign, for establishing an agreement with the said Company, and other purposes, was continued to them for a term thereby limited, should be further continued to them and their successors, under certain limitations and restrictions, for a term of twenty years, to be computed from the 1st of March 1791, liable to be discontinued at or after the end of such period, upon three years notice previously given by Parliament for that purpose; and that during the said further term all the territorial acquisitions obtained in the East Indies, which, by an act made in the seventh year of his Majesty's reign, for establishing an agreement for the payment of a certain annual sum for a limited time by the said Company, in respect of the said acquisitions, and the revenues thereof, and by subsequent acts, were continued in the possession of the said Company, together with the territorial acquisitions lately obtained there, with the revenues of the same respectively, should remain in the possession of the said Company, without prejudice to the claims of the Public or of the said Company, subject to such powers and authorities for the superintendance, direction, and controul over all acts, operations, and concerns, which relate to the civil or military government or revenues of the said territories, as have been already made or provided by any act or acts of Parliament in that behalf, or to such further powers, and under and subject to such other rules, regulations, and restrictions, relating to or concerning the said Civil Government, and the appropriation of the said revenues, as shall be now made and provided by the authority of Parliament: May it therefore please your Majesty that it may be enacted; and be it enacted by the King's Most Excellent Majesty, by and with the consent of the Lords Spiritual and Temporal, and Commons, in this present Parliament assembled, and by the authority of the same, That the said territorial acquisitions lately obtained in the East Indies, with the revenues thereof respectively, shall remain and continue in the possession of the said United Company for and during the further term by this act granted to them in the said exclusive trade, subject nevertheless to the several regulations and provisions in this act contained.

II. That his Majesty may, from time to time, nominate, during pleasure, such members of the Privy Council (of whom the two principal Secretaries of State, and the Chancellor of the Exchequer for the time being, shall always be three), and such other two persons as his Majesty shall think fit to be, and who shall be styled, *Commissioners for the Affairs of India*.

III. That any three or more of the said Commissioners may form a Board.

IV. That if the Commissioners at any Board be equally divided in opinion in respect to any matter, the President, or Commissioner acting as such, shall have the casting vote.

V. That said Board of Commissioners shall appoint such officers as shall be necessary to attend said Board, who shall be subject to dismissal at the pleasure of said Board; their officers shall be paid such fixed salaries as his Majesty shall direct; all which salaries, together with all other contingent charges and expences to be incurred by said Board, shall be paid quarterly by the said Company.

VI. That the said Commissioners, before they shall proceed to act in execution of any of the powers or authorities vested in them, shall severally take and subscribe the following oath:

I *A. B.* do faithfully promise and swear, That as a Commissioner or Member of the Board for the Affairs of India, I will give my best advice and assistance for the good government of the British possessions in the East Indies, and the due administration of the revenues of the same, according to law, and will execute the several powers and trusts reposed in me according to the best of my skill and judgment, without favour or affection, prejudice or malice, to any person whatever.

VII. That the several Secretaries and other Officers of said Board shall also take and subscribe such oath of secrecy, and for the execution of the duties of their respective stations, as said Board shall direct.

VIII. And Secretary not to disqualify from being elected to Parliament.

IX. That said Board of Commissioners shall superintend, direct, and controul all acts, operations, and concerns which in any wise relate to or concern the civil or military government or revenues of said territories and acquisitions in the East Indies.

X. That the said Commissioners, or any of them, shall have free access to the books, papers, letters of correspondence, evidences, and other records of said Company, and be assisted by the proper officers of the said Company in their searches for the same, and furnished, by and at the expence of said Company, with copies or extracts of so many or such parts thereof as they shall require.

XI. That the Court of Directors shall deliver to said Board copies of all minutes, orders, resolutions, and proceedings of all Courts of Proprietors, general or special, and of all Courts of Directors,

Directors, within eight days after the holding of such Courts, and also copies of all letters, advices, and dispatches which shall at any time or times be received by said Court of Directors from the East Indies, or from any other of their settlements or factories within the limits of their exclusive trade, or from St. Helena, Bussora, Suez, Aleppo, or other parts beyond the seas, relating to or concerning the civil or military government, or the revenues of said territories and acquisitions in India, immediately after the arrival and receipt thereof.

XII. That no orders or instructions whatever relating to the civil or military government or revenues of said territorial acquisitions in India, shall be at any time sent or given to any of the governments or settlements in India, by the Court of Directors, until the same shall have been submitted to the consideration of and approved by said Board; and for that purpose that copies of all orders and instructions which said Court of Directors shall propose to be sent to India, shall be by them previously laid before said Board; and that within the space of fourteen days after the receipt of such proposed dispatches said Board shall either return same to said Court of Directors, with their approbation thereof certified under the hand of the Chief Secretary to said Board, or if said Board shall disapprove, alter, or vary in substance any of such proposed orders or instructions, the Board shall give to the Directors in writing, under the hand of the Chief Secretary of the Board, *their reasons at large, together with their instructions to the Directors in relation thereto*; and that the Directors shall forthwith dispatch the letters, orders, and instructions, in the form approved by the Board, to the proper governments or officers in India, without further delay, unless on any representation made to them by said Directors, the Board shall order any alterations to be made therein; and that the Directors shall pay obedience to, and be governed by, such orders and instructions as they shall receive from the Board of Commissioners, touching or concerning the civil and military governments of the said territories, and the revenues of the same.

XIII. That nothing therein contained shall extend to restrict said Directors from expressing to said Board such remarks, observations, or explanations, as they shall think fit; and that said Board shall take *such representation, and the matters therein alleged, into their consideration*, and give such orders or instructions thereupon as they shall think expedient; which shall be final and conclusive upon the said Directors.

XIV. That said Board shall not have power of nominating or appointing any of the servants of said United Company.

XV. That whenever the Directors of the Company shall neglect to frame, and to transmit to said Board, dispatches on any subject connected with the civil or military government of the said territories, or with the revenues thereof, beyond the space of fourteen days after requisition made by order of said Board, it shall be lawful for the Board to send to the Directors any orders or instructions for any of the governments or presidencies in India, concerning the civil or military government of the said territories, or the revenues thereof; and the said Directors shall transmit dispatches, according to the tenor of the said orders and instructions so transmitted to them by the Board, under the respective governments and presidencies in India, unless, on any repre-

sentation made by said Directors to the Board, touching such orders or instructions, the said Board shall direct any alteration to be made in the same; which directions said Court of Directors shall be bound to conform to.

XVI. That nothing in the act contained shall extend to give to the said Board any power or authority to issue or send any orders or instructions, which do not relate to points connected with the civil or military government, or revenues of the British territories or possessions in India, nor to corrupt, expunge, vary, or alter any dispatches proposed by said Court of Directors as aforesaid, which do not relate to said Government or revenues; and that if the said Board shall send any orders or instructions to the said Court of Directors, to be by them transmitted, which in the opinion of the said Court of Directors shall relate to points not connected with said civil or military government, or revenues, then and on any such occasion it shall be lawful for said Court of Directors to apply by petition to his Majesty in council touching the same, and his Majesty in council shall decide how far the same be or be not connected with the civil or military government and revenues of the said possessions in India, which decision shall be final and conclusive.

XVII. That it shall not be lawful for the said Board to give directions, ordering or authorising the increase of the established salaries, allowances, or emoluments of any governor general, governor, or president, or member of council of any of the presidencies and settlements there, or of any other officer in the service of the Company, beyond the amount to which the same now stand fixed by the orders which have been sent to India, unless such increase shall be specified and contained in some dispatch proposed by the Court of Directors to be sent to India, and transmitted by them to the Board for their approbation, and unless an account of the actual salaries of such governor general or other officer respectively, and of the increase proposed to be made therein, with the reasons for such increase, shall have been laid before both houses of parliament thirty days before such dispatch shall be sent.

XVIII. That said Board shall not give any direction for the payment of any extraordinary allowance or gratuity to any person, on account of services, or on any other account whatever, to any greater amount, or to any other person than shall be specified in some dispatch proposed by the said Court of Directors to be sent to India, and transmitted by them to the said Board for their approbation.

XIX. That if the Board of Commissioners shall be of opinion that the subject matter of any of their deliberations concerning the levying war, or making peace, or treating or negotiating with any of the native princes or states in India, intended to be communicated in orders to any of the governments or presidencies in India, shall be of a nature to require secrecy, it shall and may be lawful for the Board to send their orders and instructions to the Secret Committee of the Court of Directors, who shall thereupon, without disclosing the same, transmit their orders and dispatches of the said Board, to the respective governments and presidencies in India; and that the said governments and presidencies shall be bound to pay a faithful obedience thereto, in like manner as if such orders and instructions had been sent to them by the said Court of Directors.

XX. That

XX. That the said Court of Directors shall from time to time appoint a Secret Committee, to consist of any number not exceeding three Directors, for the particular purposes in the act specified; which said Directors so appointed shall, before they or any of them shall act in the execution of the powers and trusts hereby reposed in them, take an oath of the tenor following:

I *A. B.* do swear, That I will, according to the best of my skill and judgment, faithfully execute the trusts and powers reposed in me as a Member of the Secret Committee appointed by the Court of Directors of the United Company of merchants trading to the East Indies; I will not disclose or make known any of the secret orders or instructions which shall be given, communicated, or transmitted to me by the Commissioners for the Affairs of India, concerning the levying of war, or the making of peace, or treating or negotiating with any of the native princes of India, save only to the other members of the said Secret Committee, or to the person or persons who shall be duly nominated and employed in transcribing or preparing the same respectively, unless I shall be authorized by the said Commissioners to disclose and make known the same.

So help me God.

XXI. That if said Secret Committee, in the execution of their said powers and trusts, shall find it necessary to employ any person in transcribing or preparing any secret dispatches, the secretary, and every other person who shall be entrusted with the transcribing or preparing any of such dispatches, shall, before they respectively enter upon that duty, take and subscribe an oath of secrecy, as near the tenor and form of the oath thereby before provided and taken by the members of the said Secret Committee as the case will admit.

XXII. That when any of the governments or presidencies in India shall be of opinion that any of their dispatches to Great Britain shall be of a nature to require same to be kept secret, it shall be lawful for said governments or presidencies respectively to address their dispatches under cover, sealed with their seals, unto said Secret Committee or Directors of said Company, for the inspection of such committee, and that immediately upon the arrival of such dispatches so addressed, said Secret Committee or Directors shall deliver the same, or copies thereof, to said Board.

XXIII. That no order or resolution of the Court of Directors of said Company, touching or concerning the civil or military government or revenues of said territories in India, after the same shall have received the approbation of the Board of Commissioners for the Affairs of India, ~~shall be~~ liable to be rescinded, suspended, revoked, or varied by any General Court of proprietors of said Company.

XXIV. That the whole presidency of Fort William, in Bengal, shall be vested in a governor general and three counsellors, subject to such rules as are established in that behalf in the act.

XXV. That the Directors are to have the power of nominating persons to fill up all vacancies from governors downwards, and, by the XXVIth article, in default thereof the same to be filled up by his Majesty.

XXXV. That his Majesty may remove or recall any person or persons holding any office, employment, or commission, civil or military, under the Company in India; provided, that a copy of such order, under his Majesty's sign manual, attested by the President, shall, within eight days after, be transmitted or delivered to the Chairman or Deputy Chairman, to the intent that the Court of Directors may be apprized thereof.

XXXVI. That this Act does not preclude the Directors from removing or recalling their officers or servants named by his Majesty.

XXXVII. That the departure from India of any Governor General, Governor, Member of Council, or Commander in Chief, with intent to return to Europe, shall be deemed in law a resignation and avoidance of his office or employment; and that the salary and other allowances of any such Governor General, or other officers respectively, shall cease from the day of such his departure, resignation, or surrender.

XL. That the Governor General in Council at Fort William shall be invested, with full power and authority to superintend, controul, and direct the several Governments and Presidencies of Fort St. George, and Bombay, and all other Governments erected or to be erected by the said United Company, within the limits of their said exclusive trade, in all such points as shall relate to any negotiations or transactions with the country powers or states, or levying war or making peace, or the collection or application of the revenues, or to the forces employed at any of such Presidencies or Governments, or to the civil or military government of the presidencies, acquisitions, or territories, or any of them.

XLII. That it shall not be lawful for the Governor General in Council of Fort William, without the express command and authority of the Court of Directors, or of the Secret Committee, in any case (except where hostilities have actually been commenced, or preparations actually made for the commencement of hostilities, against the British nation in India, or against some of the Princes or States dependent thereon, or whose territories the said United Company shall be at such time engaged by any subsisting treaty to defend or guarantee) either to declare war or commence hostilities, or enter into any treaty for making war against any of the country Princes or States in India; and in all cases where hostilities shall be commenced, or treaty made, the said Governor General and Council shall, by the most expeditious means they can devise, communicate the same unto the said Court of Directors, or to the said Secret Committee, together with a full state of the information and intelligence upon which they shall have commenced such hostilities, or made such treaties, and their motives and reasons for the same at large.

XLIII. That it shall not be lawful for the Governors and Counsellors of Fort St. George and Bombay, or of any other subordinate settlement, to issue any order for levying war, or to conclude any treaty of peace, or other treaty, with any Indian Prince or State (except in cases of sudden emergency), unless in pursuance of express orders from the Governor General in Council of Fort William, or from the Court of Directors, or from the Secret Committee; and every such treaty

treaty shall, if possible, contain a clause for subjecting the same to the ratification or rejection of the Governor General in Council of Fort William aforesaid.

XLV. That it shall be lawful for the Governor General of Fort William to issue his warrant, directed to such peace officers and other persons as he shall think fit, for securing and detaining in custody any person or persons suspected of carrying on any illicit correspondence dangerous to the peace or safety of any of the British settlements or possessions in India, or contrary to the rules and orders of the said Company; and if, upon examination taken upon oath in writing of any credible witness or witnesses before the Governor General in Council of Fort William aforesaid, there shall appear reasonable grounds for the charge, the Governor General is empowered to commit such person or persons to safe custody, and shall within a reasonable time, not exceeding five days, cause to be delivered to him or them a copy of the charge or accusation on which he or they shall have been committed, and that the party or parties accused shall be permitted to deliver in a defence in writing, together with a list of such witnesses as he or they shall desire to be examined, and such witnesses, and also the witness or witnesses in support of the charge, shall be examined and cross-examined on oath, in the presence of the party accused, and their depositions and examinations taken down in writing; and if, notwithstanding such defence, there shall appear to the said Governor General in Council reasonable grounds for the charge or accusation, and for continuing the confinement, the party or parties accused shall remain in custody until he or they shall be brought to trial in India, or sent to England for that purpose; and in case such person or persons is or are intended to be sent to England, the Governor General shall cause such person or persons to be sent to England by the first convenient opportunity, unless such person or persons shall be disabled by illness, in which case he or they shall be sent as soon as his or their state of health will safely admit thereof; and that the examinations and proceedings transmitted, shall be admitted and received as evidence in all courts of law, subject to any just exceptions to the competency of the said witnesses.

XLVI. That the several Governors or Governors in Council of Fort St. George and Bombay shall have the like powers, under and subject to the same regulations and restrictions.

XLVII. And whereas it will tend greatly to the strength and security of the British possessions in India, and give energy to the measures of the executive government within the respective Presidencies, if the Governor General of Fort William in Bengal, and the several Governors of Fort St. George and Bombay, were vested with a discretionary power of acting without the concurrence of their respective Councils, or forbearing to act according to their opinions, in cases of high importance, and essentially affecting the public interest and welfare, thereby subjecting themselves personally to answer to their country for so acting or forbearing to act: It is enacted, that in such cases they may, on their own responsibility, act in contradiction to the opinion of the Councils or may cause their orders to be suspended.

XLVIII. That the Governor General, or Governor, who shall declare and command any such order or resolution to be made and recorded without the assent or concurrence of any of the
other

other members of council, shall alone be held responsible for the sumo, and the consequences thereof.

XLIX. That nothing in the act contained shall extend to give power to the Governor General of Fort William in Bengal, or to either of said Governors of Fort St. George and Bombay respectively, to make or carry into execution any order or resolution which could not have been lawfully made and executed with the concurrence of the Councils of the respective Governments or Presidencies.

LI. That it shall not give power to the Governor General, or either of the Governors of Fort St. George and Bombay respectively, to carry into execution any order or resolution against the opinion of the counsellors of their respective Governments in any matter which shall come under the consideration of the said Governor General, and Governors in Council respectively, in their judicial capacity; or to make, repeal, or suspend any general rule, order, or regulation for the good order and civil government of the said United Company's Settlements; or to impose, of his own authority, any tax or duty within the said respective Governments or Presidencies.

LV. That the Court of Directors, with the approbation of the Board of Commissioners may suspend all or any of the powers hereby given to the Governor General of Fort William to act upon his own sole authority, at and for such time or times as they may judge expedient or necessary.

LVII. Regulations for filling up vacancies in the civil line in India.

LVIII. That no person shall hold two offices, the salaries of which amount to more than a certain prescribed sum.

LIX. Directors not to send out more persons than necessary to supply the complement of the establishment.

LXII. That the demanding or receiving any sum of money, or other valuable thing, as a gift or present, or under colour thereof, whether it be for the use of the party receiving the same, or for or pretended to be for the use of the Company, or of any other person whatsoever, by any British subject, holding or exercising any office or employment under his Majesty, or the Company, in the East Indies, shall be deemed extortion and a misdemeanor at law.

LXIII. That the court or jurisdiction before whom any such offence shall be tried shall have full power and authority to direct the said present or gift, or any part thereof, to be restored to the party who gave the same, or to order the whole, or any part thereof, or of any fine which the court shall set on the offender, to be paid or given to the prosecutor or informer, as such court shall think fit.

LXV. Neg-

LXV. Neglect to execute the orders of the Directors (unless in cases of necessity, the proof of which necessity shall lie on the party disobeying) to be deemed a misdemeanour.

LXVI. That the making or being a party to any corrupt bargain or contract, for the giving up, or for obtaining, or any other manner concerning the trust and duty of any office under the Crown or the Company, by any British subject whomsoever there resident, shall be deemed to be a misdemeanour at law.

LXVII. That all his Majesty's subjects, as well servants of the said United Company as others, shall be amenable to all courts of justice, both in India and Great Britain, for all Acts and all crimes whatever, committed in any of the lands or territories of any Native Prince or State, or against their persons or properties, or the persons or properties of any of their subjects or people, in the same manner as if the same had been committed within the territories directly subject to and under the British Government in India.

LXVIII. That it shall not be lawful for the Company, or for any of their officers or servants, or for the Court of Directors, to discontinue, stay, or compound, or settle, or agree any actions or suits at law or equity, now depending or hereafter to be commenced, before a final decree or judgment shall be obtained, unless by and with the approbation of the Board of Commissioners for the Affairs of India.

LXIX. That after sentence or judgment of any court having competent jurisdiction, whether in Great Britain or in India, against any Governor General, or against any of the said United Company's servants, civil or military, for any debts or penalty due or belonging to the Company, or for any misdemeanour, it shall not be lawful for the said United Company, in any case, to release or compound such sentence, or to restore any servant of the said Company who shall have been removed or dismissed from his office for misbehaviour.

LXXI. That the Company shall continue to have use, and enjoy the whole, sole, and exclusive trade and traffick, and the only liberty, use, and privilege of trading, trafficking, and exercising the trade or business of merchandize in, to, and from the East Indies, and in, to, and from all the islands, ports, havens, coasts, cities, towns, and places between the Cape of Good Hope and Streights of Magellan, and limits in an Act made in the ninth year of the reign of King William the Third, or in a certain Charter of the 5th of September, in the tenth year of the same King mentioned, in as ample and beneficial manner as the said Company could thereby or otherwise lawfully trade thereto, subject nevertheless to the several limitations, conditions, and regulations in this Act contained, and also subject to the proviso herein-after contained for determining the same.

LXXII. That the Company shall at all times hereafter (subject as aforesaid) be entitled unto all the profits and benefits whatever, which by any former Acts of Parliament, or by any Charters founded thereupon, concerning the said Company, are not by this Act, or any other Act now in force, repealed or altered, and the same are hereby ratified and confirmed, and shall continue

time to be held and enjoyed by said Company, for the better and more effectually settling and securing to them the whole, sole, and exclusive trade to the East Indies and parts aforesaid, and for the preventing trade thereto, contrary to the true intent and meaning of the Act, and for securing also their possessions, estate, and effects, and governing their affairs and business in all respects fully and effectually.

LXXIII. That at any time, upon three years notice to be given by Parliament after the 1st of March, 1811, and upon payment of any sums of money due by the public, then the whole, sole, and exclusive trade to the East Indies to cease.

LXXIV. That nothing in said proviso last therein-before contained, or in any other Act or Charter, shall extend to determine the Corporation of the said United Company, or to hinder, prevent, or preclude said Company from carrying on at all times, after such determination of the right to the sole, whole, and exclusive trade as aforesaid, a free trade, in, to, and from the East Indies, and parts aforesaid, with all or any part of their joint stock in trade, goods, merchandizes, estate, and effects, in common with other the subjects of his Majesty, trading to, in, or from the said parts or limits.

LXXV. That if any cession of territory shall be obtained from the Chinese Government, a new settlement shall be made by the Company upon such territory, distinct and separate from the continent of China, and wholly free from any jurisdiction or authority from the Government, in that case, and so long as the same shall so remain to the Company, it shall be lawful for any of his Majesty's subjects, under such regulations and restrictions as shall be appointed by the Board of Commissioners for the Affairs of India, to export British and Irish manufactures in the ships of the said Company, at a moderate rate of freight, the same being loaded by the said Company's supra cargoes, or such other persons as the Company, with the approbation of the Board of Commissioners, shall license to reside at such Settlement for that purpose only; provided that all and every of such persons so licensed shall be prohibited from having any connection or intercourse with the continent of China, and from carrying on any other trade or concern whatever, except the sale of British and Irish manufactures as before mentioned, and from all interference with the affairs of the Company; and all such persons shall enter into the like covenants with the company as other free merchants by them licensed, or such other covenants as shall be reasonably required by the Court of Directors, in that behalf, and also into a special engagement, if the same shall be required, for paying the net proceeds of the sales of such manufactures into the treasury of the Company at such new settlement, for bills of exchange payable by the Company in Great Britain, to be drawn at the actual rate of exchange at the time; and that no person whatever shall be permitted to reside in any place or places so ceded, or to trade or communicate with any port or place in China, who is not a servant of the Company, or who is not licensed by them to act as aforesaid.

LXXVII. That during the continuance of the said exclusive trade, it shall and may be lawful for any ship or vessel which shall be employed in carrying on the Southern Whale Fishery, under and by virtue of an Act, made in the 26th year of his present Majesty, intitled, An Act for the encouragement

encouragement of the Southern Whale Fishery, and a certain other Act, made in the 28th year of the reign of his present Majesty, for amending the said Act made in the 26th year of his Majesty's reign, to sail or pass into the Pacific Ocean by Cape Horn, to the southward of the equator, provided that such ships shall not proceed further west than one hundred and eighty degrees of longitude from London, and provided that said ships shall not proceed without such license, and shall be under and subject to all such regulations as are mentioned in the said respective Acts.

LXXVIII. And for the further encouragement of trade to the South-west Coast of America, and the islands adjacent, under the limitations contained in the convention made by his Majesty with the King of Spain, of the 28th of October, 1790, it may be expedient that ships fitted out for those parts should in certain cases be permitted by license from the said Company to proceed from the said coast and islands direct to the isles of Japan and coasts of Korea and Canton, there to dispose of their cargoes obtained on the said North-west Coast of America, and to return from thence direct to the same North-west Coast or islands adjacent, and there dispose of their returns in trade, the owners and commanders of such ships entering into such covenants with, and giving such security to said Company, and submitting to be bound by such rules and regulations as shall appear to be best adapted for preserving to said Company the exercise of their commercial privileges, and conduce to the preservation of good order and regularity of the ships companies, and their observance of the laws prescribed by the native states, during the continuance of such ships on the said coasts of Japan, Korea, and in the river of Canton aforesaid: that the Court of Directors of the said Company shall, forthwith after the passing of the Act, frame and lay before the Board of Commissioners for the Affairs of India, such rules and regulations as they shall think best adapted for the purposes aforesaid, and also the forms of such deeds of covenant or other securities as said Court of Directors shall judge to be proper or necessary to be entered into for the due observance thereof by the owners and commanders of ships to be licensed as aforesaid, and that the said Board shall thereupon proceed to revise the same, and to give such orders and instructions to the said Directors in relation thereto as they shall think fit and expedient; and that the said owners and commanders conforming themselves to the terms and conditions which shall be so prescribed, shall be entitled to such license or licenses, and the said Court of Directors are hereby required to grant the same accordingly, unless on any representation made by the said Directors to the said Board of Commissioners, containing any specific objections against the granting of any such license, the said Board shall order the same to be withheld, in which case it shall be lawful for said Directors to withhold or refuse the same.

LXXIX. That the regulations to be so made for the purposes aforesaid, or any deeds of covenant or other securities to be required for the observance thereof, shall not extend to vest in any council of supercargoes or other officers of the said Company a greater power over any ships, or the commanders, officers, or companies of the same, in the Eastern Seas or on the coasts of Japan, Korea, and China, which they shall be permitted to visit according to the tenor of such licenses, than such as can, shall, or may lawfully be exercised by the said council of supercargoes or other officers of the said Company, in or over the ships employed by or in the service of the said Company, and the commanders, officers, and men belonging thereto.

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LXXX. That

LXXX. That the selling or disposing of any goods or merchandize at any other place or places than shall be mentioned and specified in any such license, or any wilful breach or non-observance of any of the said rules or regulations, shall be held as a misdemeanor at law, and shall and may be punished as such, and that the parties offending therein shall be deemed to have traded and trafficked unlawfully within the limits of the Company's exclusive trade, and shall incur and suffer the penalties and forfeitures by this act imposed for illicitly trading or trafficking within the said limits, and shall over and besides pay to the said Company such pecuniary penalties as such offenders shall have incurred or forfeited by any wilful breach or non-observance of the stipulations contained in and by the said deeds of covenants or securities entered into or given to the said Company by force and in virtue of the act.

LXXXI. That during the continuance of the said exclusive trade in the said Company, subject as aforesaid, it shall and may be lawful for any of his Majesty's subjects resident in Great Britain, or in any other part of his Majesty's European dominions, to export, on their own proper risk and account, in the ships of said Company, or in ships freighted by them from the port of London, to any of the ports usually visited by the ships of said Company, on the several coasts of Malabar and Coromandel, or in the Bay of Bengal in the East Indies, or the island of Sumatra, any goods, wares, or merchandizes of the growth, produce, or manufacture of the said dominions, save and except as is herein-after otherwise specially provided; and that in like manner it shall and may be lawful for any of his Majesty's subjects in the civil service of said Company in India, or being by leave or license of said Company, or under their protection, as merchants resident in India, respectively, to consign and put on board the ships of the said Company, or in ships freighted by them, bound to Great Britain, any goods, wares, or merchandize, save and except also as is by this act otherwise specially provided, in order to the same being imported, on the risk and account of the owners thereof, at the port of London, under the regulations herein-after specified and contained.

LXXXII. That during the said further term in the said exclusive trade it shall not be lawful for any person or persons, save only said Company, or such as shall obtain their special leave and license in writing for that purpose, to export, ship, or carry out from Great Britain to the East Indies, or other parts within the limits of the said exclusive trade, any military stores, ammunition, masts, spars, cordage, anchors, pitch, tar, or copper; nor to ship, carry, or put on board any of said Company's ships in the East Indies, or other parts of the said limits, bound to London, or otherwise to bring or import into Great Britain any India callicoos, dimities, muslins, or other piece goods, made or manufactured with silk or cotton, or with silk and cotton mixed, or with other mixed materials; any thing in the act contained to the contrary notwithstanding.

LXXXIII. And whereas the sole and exclusive right in the export trade from Great Britain to the East Indies, and other parts, within the limits of said Company's Charter, in the aforesaid articles of masts, spars, cordage, anchors, pitch, and tar, is by this act reserved to and continued in said Company, with intent that said Company may not only furnish a sufficient quantity of those articles for consumption at their forts, garrisons, ports, and dock-yards there, but also to send to India the said several articles, and keep the markets supplied therewith, as far as may appear

appear to be consistent with public security, at moderate prices: And whereas it is fit and proper that the British and Irish manufacturers of the said several articles should have every further reasonable satisfaction given to them, that the said exclusive privilege shall not operate to their injury or prejudice through the failure or default of the Company in carrying on their export trade in the said articles to as large an extent as prudence and policy will admit; it is further enacted, That the Court of Directors of the said Company shall, in the month of February in every year, lay before the said Board of Commissioners for the Affairs of India, an exact invoice of the quantities and sorts of cordage, pitch, and tar, and the number and sizes of masts and spars, and the number and weight of anchor, severally, exported by said Company in the preceding year; and shall also, when required so to do by said Board, lay before said Board a similar invoice or account of the quantities, numbers, sizes, and weights, as far as the case will admit, of all the articles before enumerated, which shall be intended to be exported by the said Company in the ensuing season; and that upon any representation made to said Board by any British or Irish manufacturers of any failure or default in said Company, of their exporting any of the said articles to a sufficient or reasonable extent in quantity and value, as well for the proper consumption of the forces of the said Company in India, and at their ports, garrisons, and settlements there, as for meeting the demands of the India markets for the said articles respectively, the said Board may and shall examine into the grounds of such representations, and the allegations contained therein; and may and shall, according to the circumstances of the case, at their discretion, make such orders and regulations for admitting individuals to export to India, in the ships of said Company, or employed in their service, at the like rate of freight as shall be then payable for other goods exported thither in private trade, all or any sorts of the articles herein-before enumerated, as said Board shall from time to time judge fitting and proper, under and subject to such restrictions and limitations as shall be expressed in their said orders and regulations concerning the same; and further, if said Board shall see it requisite, it shall be lawful for said Board to enlarge the quantity of tonnage by the act directed to be provided for other private trade, to an extent not exceeding the quantity which shall appear to said Board to be necessary for the carriage of the said articles so permitted to be exported by individuals, and which said additional tonnage shall be specifically set apart and reserved for that purpose only; and that said Company shall, and they are hereby required to provide such additional quantity of shipping or tonnage accordingly, any thing herein-before contained to the contrary notwithstanding.

LXXXIV. That if said Company shall not, on or before the 31st of August next after the passing of the act, and also on or before the 31st of August in every subsequent year during the continuance of their said exclusive trade, contract for and purchase, on their own account, 1,500 tons of British copper, for the purpose of exportation to some port or place within the limits of their said exclusive trade, it shall and may be lawful to and for the proprietors or holders of British copper residing in Great Britain, in every such year respectively, to export that quantity, in ships to be provided by said Company, to any ports or places they think proper in the East Indies, at the same rates of freight, and subject to the same regulations as to the amount of such freight per ton as are herein expressed with respect to the freight of other species of British manufactures and produce on private account; and that if said Company shall not purchase or contract for so much as 1,500 tons of British copper in any one year as afore-

said, it shall or may be lawful for the proprietors or holders of British copper to export in ships to be provided by said Company, such quantity or quantities as, together with the quantities purchased by said Company, shall amount to full 1,500 tons, to be exported annually aforesaid to the ports or places, and under and subject to the same regulations as to the amount of freight per ton in ships to be provided by the said Company as is therein expressed on the exportation of any other British produce on private account; and that the said proprietors or holders of British copper exporting the same in manner aforesaid, shall be at liberty to obtain their returns in the like Commodities of India, in the same manner and in the same proportions as therein provided for the other proprietors of British manufactures or produce exported to India, on their own account by virtue of this act: Provided also, that in case said Company shall not on or before the 31st of August in any one year, have bought or contracted for the full quantity of 1,500 tons of British copper for the purposes aforesaid, that then all persons intending to export either the whole or part of the said 1,500 tons remaining unsold to the said Company, shall signify the same by a notice in writing to the chief secretary of said Company, between the 31st of August and the 14th of October in every such year, provided that the said tonnage for the copper to be sent out to India in any of the cases aforesaid, shall not be considered as part of the tonnage allowed by the act for the private trade.

LXXXV. That if a sufficient quantity of such calicoes, dimities, muslins, or other piece goods of the description aforesaid, shall not be imported by the said Company, and the persons by them licensed to import the same, for keeping the market supplied therewith, at reasonable prices, to answer the consumption in Great Britain, as far as any of the said sorts of goods may lawfully be worn or used therein, and likewise for exportation, it shall and may be lawful for the Board of Commissioners for the Affairs of India to make such regulations for admitting individuals to import in said Company's ships, or ships employed by them, into Great Britain, all or any of the sorts of goods herein-before specified, under such conditions, restrictions, and limitations, as the said Board shall from time to time direct.

LXXXVI. That nothing in this act contained shall extend to permit any person to export or import in private trade any goods or merchandize contrary to the provisions of any act or acts of parliament now in force, and not by the act expressly repealed, nor to vary, alter, or affect any act or acts now in force for prohibiting the consumption, wearing, or use of any foreign manufacture within this kingdom; but that all and singular the said acts, and the provisions and regulations therein contained respectively, shall remain and continue of the same force and effect, to all intents and purposes, as if the act had not been made.

LXXXVII. And inasmuch as the ensuring to private merchants and manufacturers the certain and ample means of exporting their merchandize to the East Indies, and importing the returns for the same, may conduce to the advancement of the trade of these kingdoms, it is further enacted, That said Company shall, in the proper season of every year, provide and appropriate 3,600 tons of shipping at the least for the specific purposes of carrying to the East Indies such goods, wares, and merchandize as may be lawfully exported thither by individuals, and for bringing back from thence as well the returns of the same as likewise the goods of other persons

entitled to import the same into this kingdom, and if the said quantity of tonnage shall be found insufficient, or shall be found to be more than shall be sufficient for the carriage of the said private trade, export or import, the Company shall from time to time provide such an additional quantity of tonnage, or lessen the quantity of tonnage to be provided for the carriage of the said private trade, as the Board of Commissioners for the Affairs of India shall, upon any representation made to them, order and direct.

LXXXVIII. That in case the Court of Directors of said Company shall be of opinion that the additional quantity of tonnage for the carriage of the private trade which shall at any time thereafter be ordered and directed by the said Board of Commissioners for the Affairs of India, is greater than ought to have been directed or ordered, it shall be lawful for the said Court of Directors to apply by petition to his Majesty in council touching the same, and his Majesty in council shall finally determine the same.

LXXXIX. That the said Company shall be entitled to charge and recover, from the owners of goods exported or imported in private trade, such rates of freight for the carriage thereof as are hereinafter specified, and not any higher rate or rates, any law or usage to the contrary notwithstanding; (that is to say), for the carriage of any goods from Great Britain to any port or place in the East Indies in time of peace, after the rate of five pounds per ton, and for the carriage of any goods from any part of the East Indies to Great Britain, after the rate of fifteen pounds per ton, computing such tonnage in the same manner as the tonnage of goods shipped by the said Company on their own account; and that in times of war, or preparations for war, between Great Britain and any other European power or state, or when the circumstances incidental to war, or preparations for war, shall happen, whereby an increase in the rates of freight payable by the said Company shall become unavoidable, then, or as long as such war, or preparations, or other circumstances shall continue, the said Company shall be entitled to charge and recover, for the carriage of the said private trade, additional rates of freight, after a due proportion to the additional rates of tonnage which shall be paid by the said Company for the hire of ships for their own trade, and at or after no higher rate or proportion.

XC. That when any circumstance shall arise which shall entitle the said Company to make any advance in the said rates of freight on private trade, the Court of Directors of said Company shall, before they shall increase the same, communicate in writing to the Board of Commissioners for the Affairs of India their intentions so to do, with their reasons for the same, and the extent of the increase by them proposed, with such other information or observations relating thereto as shall to them appear material to be known by the Board; and that no increase shall be made in the said rates but such as shall be approved by the said Board; and that any increase so made shall be subject and liable to be reduced or discontinued, as circumstances may admit or require, and as said Board shall in that behalf direct.

XCI. That in the month of August 1794, and so afterwards in the month of August in every third year, during the continuance of the farther term thereby granted to the Company in their trade, the Court of Directors of said Company shall take into their consideration how far and to what

what extent the then general state and condition of the affairs of shipping may call for, or will reasonably admit of any abatement in the rates of freight on private trade, and to certify unto the Board of Commissioners whether the said rates will fairly admit of any reduction or abatement, and to what extent, and whether for the whole or for any and what part of the term of three years then next following, with their reasons for the same; and that said Board shall take the report of said Directors into their consideration, and either approve the alterations proposed by said Directors, or make such other order therein as to said Board shall appear just and expedient; and that the order of said Board in respect thereto shall be valid and conclusive on said Company.

XCII. That all persons intending to export any goods from Great Britain to the East Indies shall signify the same by a notice in writing to the chief secretary of said Company before the last day of August in each year, for the ships of the ensuing season, and that every such notice shall specify the name of the port or place of destination of such goods, and the quantity of tonnage required for the same, and the period when the goods will be ready to be laden or put on board; and that every person giving any such notice shall, on or before the 15th of September next ensuing the delivery thereof, deposit in the treasury of the said Company the money chargeable for the freight upon the quantity of tonnage thereby required or therein specified, unless the Court of Directors of said Company shall think fit to accept any security for the payment thereof; and that every such person shall also, before the 13th of October following, deliver to the said secretary a list of the sorts of goods intended to be exported, and the quantities of each of such sorts respectively; and that in default thereof, or failure in providing the goods to be shipped within the time specified in the notice for that purpose, the deposit made, or security taken for the said freight, shall be forfeited to said Company.

XCIII. That all persons intending to export any goods from any port or place in the East Indies to Great Britain, shall signify the same by notice in writing to the chief secretary of the presidency in India wherein the same are to be shipped, in which notice shall be specified the sorts and quantities of goods intended to be shipped, the quantity of tonnage required, and the period when the goods will be ready to be put on board; and shall make a deposit at the treasury of such presidency or settlement respectively of the whole amount of the freight upon the quantity of tonnage specified, or otherwise give such reasonable security for the payment thereof in Great Britain; and if any of the persons giving such notice shall not provide his or their goods to be shipped within the time or times therein specified for that purpose, their deposits made, or securities given for the freight, shall be forfeited to the said Company.

XCIV. That if any vacant tonnage shall remain, not engaged by individuals, either in Great Britain or the East Indies, after the times limited for giving such notices respectively, the said tonnage, together with any other vacant tonnage occasioned by the failure or default of any person or persons in the delivery of their goods within the period specified by their notices for that purpose, shall and may be occupied by the goods of said Company, without any allowance to the persons making such default in respect thereof; and that if the whole quantity of tonnage required for private trade in any year, either in Great Britain or the East Indies, shall exceed the whole

whole quantity to be provided for private trade, according to the true intent and meaning of the act, in such year respectively, in that case the whole of the tonnage provided shall be impartially distributed amongst the parties requiring the same, in proportion to the quantities specified in their respective notices; and that on every such occasion the said distribution shall be made with all convenient dispatch, and the quantity of tonnage appertaining to each of the persons entitled thereto shall be notified to them respectively by the said secretary or other proper officer in writing, seven clear days at the least antecedent to the day appointed for making the deposit, or giving security for the said freight, in the manner before directed.

XCv. That it shall be lawful for any persons residing in India, in the civil service of said Company, or by their license, not being restricted by their covenants with said Company, or otherwise specially prohibited by them or their governments in India from so doing, and not being in any judicial or military capacity, to act as commercial agents, managers, or consignees, on the behalf of such persons as shall think fit to employ them, as well in the disposal of any export goods, not thereby prohibited from being exported by individuals, as in providing such other kinds of goods as may by law be imported by individuals into Great Britain on their private account, without incurring any penalty or forfeiture in respect thereof, any law or statute to the contrary notwithstanding.

XCvi. That if upon any representation made to the Court of Directors of said Company, by or on the behalf of any private traders, of the want of a sufficient number of persons in the East Indies, duly authorized and properly qualified to act for them in the disposal of their cargoes, and the purchase and investments of goods in return for the same, the said Court shall fail to license a further number of persons to reside in India in the character of free merchants, to the satisfaction of the said private traders, it shall and may be lawful for the said traders to represent the same to the Board of Commissioners for the Affairs of India, and that the said Court of Directors shall thereupon license a proper and sufficient number of persons to reside at their settlements in the East Indies, in the character of free merchants, with the approbation of said Board.

XCvii. Provided also, That the officers and servants of the said Company, and all other British subjects, during their residence in India, notwithstanding their being employed to act as agents, factors, or managers for private traders, shall continue amenable and subject to the powers and authorities of said Company and their Governments in India, in the like manner as if they had not so acted, or had not been so employed.

XCviii. That during all such time as said Company shall be entitled to the said exclusive trade, subject as aforesaid, it shall not be lawful for any British subject or subjects in the service of the said Company, or licensed by them to go to or to live or continue in India, to reside in any other place than in one of the principal settlements of said Company, or within ten miles of such principal settlement, without the special license of said Company, or of the Governor General, or Governors of such principal settlement, in writing, for that purpose first had and obtained; nor shall any such British subject or subjects go to or continue beyond the limits aforesaid for any longer space of time, or at any other time or times respectively, than shall be specified in ¹is or ^atheir

their license or order of leave in that behalf, on pain of being dismissed the service of said Company, and forfeiting to said Company such wages, salaries, and allowances as shall be due by the said Company to the person or persons so offending, and of his or their license or licenses to continue or reside in India.

XCIX. And whereas, by virtue of the said Act made in the ninth year of King William the Third, said Company is entitled to receive a duty of five pounds for every hundred pounds of the true and real value of all goods, wares, and merchandizes of the growth, product, or manufacture of the East Indies, or other parts within the limits of their said exclusive trade, imported or brought into this kingdom in private trade, towards defraying certain charges in the said act mentioned and specified: And whereas said Company have, over and besides the said duty of five pounds *per centum*, been accustomed to charge and retain, for their own use, after the rate of two pounds *per centum* on the gross sale amount of all goods, wares, and merchandizes imported into this kingdom from the East Indies in private trade, in recompence and satisfaction for the charges and expences of unshipping and selling the same, and otherwise in the care and management thereof: And whereas, for the encouragement of the said private trade, it is deemed expedient that the said duty of five pounds *per centum* should be repealed, and the said charge of two pounds *per centum* discontinued; and that the said Company should be entitled to receive, in lieu thereof respectively to recompense them from the said charges on private trade, after the rate of three pounds for every hundred pounds on the true and real value or gross sale amount of all goods imported from the East Indies in private trade, including the duties and charges payable in respect thereof: It is further enacted, That, from and after the 1st of March 1794, the said duty of five pounds *per centum* granted by the said act shall be repealed, and the said charge of two pounds *per centum* discontinued, and that in lieu thereof respectively there shall be rendered and paid to said Company, during their further term by this act granted in the said exclusive trade, a duty or allowance after the rate of three pounds *per centum* on the gross sale amount of all goods, wares, and merchandizes imported or brought into this kingdom from the East Indies in private trade, including in such value or amount all duties and charges payable in respect thereof, the same to be paid by the owners thereof, or otherwise to be retained by said Company out of the proceeds of such goods, in satisfaction and discharge of the expences to be incurred by said Company in the unshipping, voyage, cartage, warehouse-room, sorting, lotting, and selling the said goods, or in any other manner concerning the same, over and above the freight becoming due for the carriage thereof by virtue of the act; and that no other charge, beyond the said allowance of three pounds *per centum* by this act granted, shall be made by said Company in respect of the expences attending the said private trade, the freight for the carriage thereof only and always excepted.

C. That the said appeal shall not extend to release the payment of the said duty of five pounds *per centum* or the said charge of two pounds *per centum* on any goods, wares, or merchandize which shall be brought home and imported in any of the ships of the said Company, or in their service from China nor to affect any covenants or engagements now subsisting or hereafter to be made, by or between the said Company, or on their behalf, with the masters and commanders of the Company's ships, or with any other of the officers or servants of said Company, in whatever employment or capacity they may happen to be, but that all and every such covenants and engagements shall

shall be; and be held, deemed, and taken to be of the same force and effect, to every intent and purpose, as if the act had not been made, the said repeal, or any other matter or thing therein contained, to the contrary notwithstanding.

CI. And, for encouraging individuals to engage in the import trade of the several sorts of raw materials herein-after specified, and also for securing to manufacturers the means of furnishing themselves therewith at the said sales, it is expedient that proper rules and regulations should be made for providing for speedy and frequent sales of such materials, and in moderate lots; and for preventing, as far as may be, any undue preference being given in respect either of the mode or times of the making sale of any of the said commodities, as between the Company and individuals; or as between one individual and another; it is enacted, That it shall and may be lawful for the Court of Directors of said Company to frame such rules and regulations for the future sales of all raw silk, sugar, cotton yarn, cotton wool, and other wool, skins, dyeing woods and drugs, and other articles of raw material, imported either in private trade or on said Company's own account, as in their judgment shall appear best adapted for the several purposes aforesaid, and to lay the same before the Board of Commissioners for the Affairs of India, for their revial and approbation; and that the rules and regulations which shall be so framed and approved shall be deemed and considered of the same force as a bye law of said Company, subject nevertheless to such future revision and alteration by said Court of Directors, with the approbation of said Board, as circumstances require.

CII. That all manner of goods imported in private trade, as well raw materials as others, shall be secured in the Company's warehouses, and sold openly and publicly by inch of candle, or by way of public auction, and in no other manner, under the order and authority of the Court of Directors of said Company, on the account of the proper owners thereof; and that when any of such goods shall be bought in by the owners, the whole consignments so bought in shall and may be delivered out to them with all convenient speed after the sales thereof, upon payment of the freight, duties, and other charges to which the same shall be liable, without the actual payment of the gross prices or full amount of the said goods; and that the said private trade, and the sales thereof, shall be in all respects managed and conducted according to the bye laws of said Company, made and provided for the management of the said private trade, save only and except as is otherwise directed by the act.

CIII. That previous to the shipping of any goods under the authority of the act, by private merchants or manufacturers, the same shall be duly registered in books kept by said Company for registering private trade goods in which registry shall be described the marks and numbers of each bale or package of goods so shipped, and the amount of the tonnage of all the goods shipped by each merchant or manufacturer; and an order or license in writing shall be given, under the hand of the proper officer of said Company, for the shipping of such goods; and all goods which shall be shipped either in London or the East Indies, without being so registered, shall be considered as goods illicitly shipped, and the said goods shall be subject to such seizure and forfeiture, and the owners, shippers, and agents concerned therein, to such forfeitures and penalties, as any person

shall be subject to by law for carrying on trade to or from the East Indies without said Company's license.

CIV. That all goods, wares, and merchandizes, exported or imported by virtue of the act, by or on the account of any private merchants, traders, or other persons, shall be subject to the payment of the like rates, customs, and duties of import and export, both in India and Great Britain, as the goods, wares, and merchandizes of the same kinds or sorts, of and belonging to said Company, are or shall be subject or liable unto, and to no other rates, customs, or duties whatever, the aforesaid duty or allowance of three pounds *per centum*, granted to said Company for the purposes aforesaid, always excepted.

CV. That said Company shall be wholly exempted from the claims of individuals in respect to any compensation or satisfaction which said Company might otherwise be liable to answer or pay as carriers of goods, for any embezzlement, waste, losses, or damages of any goods, wares, or merchandize, during the time of their being on board the ships of or employed by said Company, or in any of their warehouses in Great Britain or India, or in their transit to or from such ships.

CVI. That the deeds of covenant, and other engagements and securities, made, given, or entered into by any of the officers and servants of said Company, entrusted by them with the custody, care, or management of goods, wares, and merchandizes, whether at sea or on shore, for the due execution of the trust reposed in them, shall be deemed in law to extend to and include as well such goods, wares, and merchandize, as are the immediate property of said Company, as such as are the property of individuals; and that all or any of the officers and servants of said Company, so by them entrusted, and all other persons having at any time the custody or care of any such goods, wares, or merchandizes, by or through whose means, default, procurement, neglect, or want of care, any embezzlement, waste, loss, or damage, shall or may arise or be sustained, shall be liable at law to answer for the same in damages and costs to the proper owners thereof; and that if such owners shall be desirous of being availed of the benefit of any such deeds of covenant or engagement, and shall give such security or other indemnity to the Court of Directors of said Company, as said Court shall require for securing said Company, and keeping them indemnified from all costs and damages in that behalf, it shall be lawful for the party or parties aggrieved by any such embezzlement, waste, loss, or damage, in his property, to sue upon any such deed, engagement, or security, in the name of said Company, and to take the full benefit of any verdict or judgment which shall be obtained or pronounced therein, and to issue or award execution thereupon, any law or usage to the contrary thereof notwithstanding.

CVII. That for and during so long time as said Company shall be entitled to the exclusive trade and traffic in, to, and from the East Indies, the clear profits arising from the said territorial acquisitions and revenues in India shall be applied and disposed of to and for the uses and purposes therein expressed; (that is to say) in the first place, in defraying all the charges and expences of raising and maintaining the forces, and of maintaining the forts and garrisons there, and providing warlike and naval stores; secondly, in payment of the interest accruing on the debts owing; thirdly,

thirdly, in defraying the civil and commercial establishments of said Company at their several Settlements there: fourthly, that there shall be issued to the respective Commercial Boards of the said Company, at their several Presidencies in India, in such proportions as the Court of Directors of the said Company, with the approbation of the Board of Commissioners for the affairs of India, shall direct, a sum of not less than one crore of current rupees in every year, to be applied in the provision of the Company's investment of goods in India, and in remittances to China, for the provision of investment of goods there: And fifthly, that as often as any part of the said debts shall be redeemed or discharged in India, or transferred from thence to Great Britain, it shall and may be lawful to and for said Court of Directors, with the consent of said Board of Commissioners, to increase the annual advancement to the said Commercial Boards, for the provision of investments in India and China, in the same extent to which the interest of the debts in India shall be reduced by such extinction and transfers respectively, if the trade of said Company from India, and their remittances to China, shall admit of or require such increase: and after the appropriations aforesaid, or sums set apart sufficient to answer and make good the same, the surplus of the said revenues shall be applied to the liquidation of the debts of the said Company in India, or to such other uses and purposes as the Court of Directors, with the approbation of the Board of Commissioners for the affairs of India, shall from time to time direct.

CVIII. And whereas sundry debts, incurred in the defence and protection of the British possessions in India, bearing interest, are now due and owing by said Company there, amounting to seven crores of current rupees, or £.7,000,000 sterling, or thereabouts: and whereas it may be convenient and beneficial to the Company's affairs, that the greater part of the said debts should be transferred or remitted to and paid in Great Britain; and it is therefore expedient that proper encouragement should be given to the creditors of said Company in India, to transfer and remit the same accordingly: That it shall be lawful for the several Governments and Presidencies in India to grant bills of exchange upon the Court of Directors of said Company, payable in Great Britain, at such equitable rates of exchange as shall be directed or authorized by said Court of Directors, with the approbation of the said Board of Commissioners for the affairs of India, for the purposes of transferring and remitting the said debts, in manner aforesaid incurred by said Company, to Great Britain, until the said debts in India shall be reduced to a sum not exceeding ~~two~~ crores of current rupees, or £.2,000,000 sterling, and that the said Court of Directors shall be, and are by force and virtue of this Act, fully authorized and empowered to accept and discharge such bills of exchange accordingly, over and besides such other bills of exchange as said Company could lawfully accept and pay.

CIX. That if the creditors of said Company in India shall decline to accept of such bills of exchange as aforesaid in payment or discharge of their said respective debts, or shall not accept the same to the amount of £.500,000 in any year, it shall be lawful for the Governor General in Council of Fort William, in Bengal, or for the Governors in Council of the several Presidencies of Fort St. George and Bombay respectively, by the order and authority of the said Governor General in Council, to raise a sufficient sum or sums whereby to make up a remittance for such year to the amount by which the total of bills of exchange so accepted by the said creditors shall fall short of the said sum of £.500,000 by loans of and from any other persons willing to advance
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the same upon the credit of bills of exchange to be drawn by them upon the said Court of Directors, at such equitable rates of exchange as shall be authorized and directed in the manner before-mentioned; and that the money so raised in India shall forthwith, upon payment thereof into the proper treasury there, be issued and applied towards the liquidation and discharge of the said debts of the said Company in India.

CX. That nothing shall extend to authorize any of the governments in India to grant bills of exchange for the purpose of transferring or remitting the said debts from India to Great Britain, to become due and payable within one year, exceeding the sum of £.500,000, unless by the special order of the Court of Directors of said Company, first had and obtained.

CXI. That during the continuance of the exclusive trade to said Company the net proceeds of their sales of goods at home, with the duties and allowances arising by private trade, and all other profits of said Company in Great Britain, after providing for the payment of bills of exchange already accepted by said Company, as the same shall become due, and for the current payments of other debts, interest, and other outgoings, charges, and expences of said Company, (their bond debt always excepted), shall be applied and disposed of in the following manner; first, in payment of a dividend, after the rate of £.10 per cent. per ann. on the present or any future amount of the capital stock of said Company, the first half year's payment thereof to commence and be made at Midsummer 1793: Secondly, in payment of £.500,000 per annum, the same to be set apart on the first day of March and the first day of September half yearly, in equal portions, and applied in discharge of bills of exchange drawn or to be drawn in India, for the transfer or remittance of the debts of said Company from thence to Great Britain, for the diminution of such debts, until the same shall be reduced to two crores of current rupees, or £.2,000,000 sterling: Thirdly, in payment of a sum not exceeding £.500,000 in every year, into the receipt of his Majesty's exchequer, to be applied as Parliament shall direct, the same to be set apart for that purpose on the first day of July and the first day of January in every year, by equal portions, and the first half-yearly payment thereof to be made or accounted due on the first day of July 1793; and if the funds shall prove insufficient in any year to satisfy such last-mentioned payments into his Majesty's exchequer, that then and in every such case the same shall be made good, except as is otherwise specially provided, out of any surplus which may remain from the said net proceeds in any subsequent year, after the payment of the annual sum of £.500,000 into the receipt of his Majesty's exchequer becoming due in each year respectively: And that until the said debts in India shall be reduced to the said amount of two crores of current rupees, or £.2,000,000 sterling, the ultimate surplus which shall remain of the said net proceeds, after such payments thereout made as aforesaid, shall and may be from time to time set apart and applied in augmentation of the said fund or annual sum of £.500,000 a year, hereby appropriated for the reduction of the said debts in India, in and for the reduction thereof, by the discharge of any further bills of exchange to be drawn from thence, either for the transfer and remittance thereof to Great Britain, or for loans of money to be borrowed on the credit of any bills of exchange which shall be granted by the order of the Court of Directors, to any greater amount than is herein-before limited or directed in that behalf; or otherwise it shall be lawful for the said Court of Directors to apply any part of the said ultimate surplus of the said net proceeds in the payment of any debts of the said Company in Great Britain, (the said bond debt

debt of £.1,500,000 only excepted), or to the purchase of any goods, wares, or other merchandize, to be disposed of in India or China, and to appropriate the produce thereof in and towards the more speedy diminution of the said debts in India: And that when and so soon as the said debts in India shall have been reduced to the amount herein before limited in respect thereof, and the bond debt in Great Britain to £.1,500,000, the surplus of the said net proceeds, after providing for the current payments of interest, and other outgoings, charges, and expences of the said Company, and of a dividend after the said rate of £.10 per cent. per ann. on the said capital stock, and the said annual sum of £.500,000 to be paid into the exchequer, and after making good all former deficiencies in the said annual payments, otherwise than as is provided by this Act, shall be applied and disposed of in manner following; (that is to say), one sixth part of the said surplus, computed and adjusted to the first day of March in every year, shall be reserved and retained by the said Company, for their own use, and applied in augmentation of the dividends on their said capital stock; and that the residue of the said surplus shall be set apart, and from time to time paid by said Company, into the Bank of England, within the first week in April in each year, to be there placed to the account of the Commissioners appointed by an Act of the 26th year of his Majesty's reign, intituled, "An Act for vesting certain Sums in Commissioners, at the End of every Quarter of a Year, to be by them applied in the Reduction of the National Debt," until the monies so paid, together with the sums arising by the growing interest thereof, shall have amounted to £.12,000,000 sterling; and that, from and after such payments, together with the money so arising by the said growing interest, shall have amounted to the said sum of £.12,000,000 sterling, the said surplus shall be from time to time paid into the receipt of his Majesty's exchequer, and be there placed to the account of the consolidated fund, as the property of the public in full right.

CXII. That if the debts of said Company in India, after the same shall have been reduced to two crores of current rupees, or £.2,000,000 sterling, shall be again increased beyond that amount, or if their bond debt in Great Britain, after the same shall have been reduced to £.1,500,000, shall be again increased beyond that sum, then, and so often as either of those cases shall happen, the like appropriations as are herein before directed to be made for the reduction of the said present debts shall again take place and be made for the reduction of the said new debts respectively.

CXIV. That when and after the monies paid by said United Company to the Governor and Company of the Bank, together with the monies received for dividends on the capital stock of annuities purchased therewith, and with the proceeds thereof, shall have amounted to £.12,000,000 sterling, the dividends of the said capital stock of annuities shall, in preference to any other disposition thereof, be subject and liable to make good to said United Company, for and during all such time as they shall continue to trade with a joint stock, any deficiency or deficiencies in their own funds applicable to the payment of the said dividend of £.10 per cent. per ann. on the capital stock of the said United Company, if any such deficiency shall happen in such payment or payments; and that when there shall be no such deficiency, or, being such, after the same shall be made good out of the said dividends, such dividends, or the surplus thereof, shall be deemed to be the property of the public, and shall be paid, when and as often as the same shall arise, by the said Governor and Company of the Bank of England into the receipt of the exchequer, and be there carried to the account of the consolidated fund.

CXV.

CXV. That the capital stock of annuities wherein the said sum of £.12,000,000 sterling shall be invested, shall be deemed and considered as a guarantee fund for the better securing to said United Company their said capital stock, or the value thereof, such value being always computed for that purpose after the rate of £.200 for every £.100 of such capital stock; and that if, at the time of the right and title of said United Company to the said whole, sole, and exclusive trade (limited as aforesaid) becoming determined, their own funds and assets, real and personal, shall be insufficient to pay and satisfy all their just debts, and to make good to said Company their said capital stock, or the value thereof, computing the same after the rate of £.200 for every £.100 of the said stock, that then the said capital stock of Annuities, or guarantee fund, shall be deemed and considered, as far as the same shall or may extend for that purpose, to be in the first place, and before any other application thereof, subject and liable to make good to said Company, and their creditors, the deficiency so arising in their own funds and effects for the purpose aforesaid; and that the said capital stock of annuities, or the surplus thereof, after making good such deficiency shall remain as a guarantee fund for the better securing the capital stock of the said United Company, or the value thereof, rating the same as aforesaid, after such determination of their whole, sole, and exclusive trade, for so long time as they shall continue to trade with a joint stock, and subject thereto; and after making good all such deficiencies, that the said capital stock of Annuities, or so much thereof as shall then remain, shall be and be deemed the property of the public.

CXVI. That, from and after any money shall be paid by said United Company to the said Governor and Company of the Bank of England, an account shall be made to the last day of January in every year, by the Governor and Company of the Bank of England, of all sums which shall have been paid to them by the said United Company, or carried into their books on account of the said commissioners, under or by virtue of this act, and also of all sums of capital stock of annuities, which in pursuance hereof shall have been purchased in the names of the said commissioners, with the interest accruing thereupon, and of the application of the same respectively; which account the said Governor and Company of the Bank of England are hereby required to lay before both Houses of Parliament, on or before the 15th of February immediately following, if Parliament shall be then sitting, and if Parliament shall not then be sitting, then within fourteen days after the commencement of the then next Session of Parliament,

CXIX. That said United Company and their successors shall be directed and required to pay into the receipt of his Majesty's Exchequer, and into the Bank of England, the several and respective sums of money to be paid by them, at or within the times, and in the manner and form aforesaid, and if said United Company or their successors shall make failure in any payment hereby appointed to be made by them into the said Receipt of the Exchequer, or into the Bank of England, according to the tenor and true meaning hereof, that then and in such case the money whereof such failure in payment shall be made, shall and may be recovered from said United Company and their successors, to his Majesty's use, by action of debt, &c.; in which action, &c. it shall be lawful to declare that the United Company of Merchants of England trading to the East Indies are indebted to his Majesty in the monies of which they shall have made default in payment, and have not paid the same, which declaration shall be sufficient; and in or upon such action, &c. there shall be further recovered for his Majesty's use, against the said Company and their successors, damages, after the

rate of *£.15 per cent. per ann.* for the respective monies so unpaid, together with full costs of suit; and said United Company and their successors, and all their stock and funds, and all other their real and personal property and estate, lands and tenements, whatever and wherever, shall be liable to the payment of the said monies and damages, with the full costs of suit.

CXXI. That if the making payment of any sum or sums into the Receipt of the Exchequer, or into the Bank of England, respectively, at or within the time or times appointed for that purpose, will be attended with material inconvenience to said Company, then and in every such case the Court of Directors of said Company are hereby required to represent the same, and the circumstances thereof, to the High Treasurer or Commissioners of the Treasury for the time being, who shall forthwith examine into and consider of such representation; and if he or they shall see cause, to postpone or suspend the payment of the sum for such reasonable time, and upon such terms and conditions, as to him or them shall appear reasonable and expedient.

CXXII. That if it shall happen that, by any extraordinary expences incurred in time of war, or preparations for war, or from circumstances incidental to war, the aforesaid net proceeds shall fall short (after payment or provision made for the said dividend of *£.10 per cent.* and the said *£.500,000 per ann.* for the reduction of the said debt in India) of making payment to the Exchequer of the said *£.500,000 per ann.* for the use of the public, then, and so often as the same shall happen, the deficiency or deficiencies in the said last-mentioned payments shall not be made good out of the surplus of any future year or years, to impede the accumulation of the said guarantee fund, not exceeding *£.12,000,000* payable into the Exchequer, but that the amount of all deficiencies so happening and occasioned shall be deemed as a debt, to be made good to the public upon the determination of the exclusive trade of the said Company, in the event only of their general assets, consisting of monies in their treasuries, securities for money, ships, goods, wares and merchandize, and other their live and dead stock, producing or amounting in value to more than sufficient for the payment of all the just debts of said Company, and of making good to said Company the value of their capital stock, rated at *£.200* for every *£100* of such stock; but that after payment or provision made for the said debts and capital stock as aforesaid, the surplus or excess of the said general assets shall be applied in the making good the amount of the said deficiencies as far as the same will extend, in preference to any other application thereof.

CXXIII. That the appropriation made of the clear profits of the said territorial acquisitions and revenues in India, shall not extend, to prejudice or affect the rights of the public, or of said United Company, respecting the said territorial acquisitions and revenues, beyond the further term to the said United Company, under the limitations thereof, in the sole and exclusive trade in the East Indies, and parts aforesaid.

CXXIV. And whereas, by an account heretofore made up by said Company, of the profits of their trade and revenues, to the 1st of March 1781, there remained, after payment of a sum of

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£.400,000

£.400,000 to the public, in pursuance of an agreement for that purpose, the principal sum of £.288,025. 17s. 10d. which sum the Company were, by a clause contained in the said in part recited Act authorized to apply in the payment of dividends to the proprietors of the capital stock of the said Company, in the mode specified in the said Act: And whereas said Company have not as yet made any dividend of the said principal sum, but have kept the same, or the greater part thereof, employed in their trading capital suffering the interest to accumulate thereon, the said principal and interest forming a distinct article in the annual cash accounts of the said Company, under the head of *The Company's Separate Fund*, and amounting, on the 1st of March 1793, to the sum of £.467,896. 7s. 4d. over and above £.9,750 capital stock of said Company, also part of the said separate fund: And whereas, under the present circumstances of said Company, their true and permanent interests will be better secured and advanced by limiting the distribution of the said separate fund, in the manner herein-after specified; than by suddenly calling the whole, or any large proportion thereof from their said trading capital: Be it enacted, That the said separate fund, or the monies constituting the same, shall continue in the hands of said Company bearing interest, and be employed in their trade, subject to the payment of such dividends as are herein-after specified; and that the said separate fund, with the growing interest thereof, shall and may be divided and distributed in the manner therein-after mentioned, and in no other manner whatever, any former Act or Acts to the contrary notwithstanding; (that is to say), That after payment shall be made by said Company into his Majesty's Exchequer of the two first installments of £.250,000 each, which by force and virtue of this Act will become due from said Company to the public, on the 1st of July 1793, and the 1st of January 1794, respectively, or otherwise after setting apart a sufficient sum for such payments, it shall and may be lawful for said Company, out of the said separate fund, and the interest or growing income thereof, to make and declare a dividend or dividends after the rate of 10s. *per cent. per ann.* on the present or any future amount of their capital stock, which said dividend or dividends shall and may be paid and payable to said Company, over and above any other dividend or dividends which shall become due in respect thereof; and that after the expiration of the further term hereby granted in the said exclusive trade, it shall and may be lawful for said Company to retain and dispose of what shall then remain of the said separate fund; or the monies constituting the same, and the interest or other annual proceeds thereof, in such manner as they shall then think fit.

CXXVI. That the Court of Directors of said Company shall, within the first fourteen sitting days next after the 30th day of March in every year, lay before both Houses of Parliament an account, made up according to the latest advices which shall have been received, and with as much accuracy as the nature of the case will admit, of the annual produce of the revenues of the British territories in India, distinguishing the same under the respective heads thereof at each of their several Presidencies or settlements, with the amount of their sales of goods and stores within the limits of their exclusive trade, and of all their annual disbursements within the said limits, distinguishing the same under the respective heads thereof, together with the latest estimate of the same; and also the amount of their debts abroad, with the rates of interest they respectively carry, and the annual amount of such interest, &c. &c.

CXXVIII.

CXXVIII. That from the 24th of December 1792, all sums issued by the said Paymaster General of his Majesty's forces, for and on account of his Majesty's forces serving in India, or for raising and supplying recruits for the same, shall be repaid by said Company; and that the actual expences only which since the said 24th of December 1792, have been, or which hereafter shall be incurred for the support and maintenance of the said troops, shall be borne and defrayed by said Company.

CXXIX. And whereas various statutes have been heretofore made for securing to said United Company their sole and exclusive right of trading to the East Indies, and parts aforesaid, during the continuance of such sole and exclusive right, and to restrain all illicit and clandestine trade to, in, and from the East Indies, and parts aforesaid: And whereas the limitations and provisions in this Act contained, concerning the future conduct of the said trade, require that some alterations should be made in the said statutes; and it may be convenient that such provisions as shall be deemed necessary for securing to said Company the full benefit of such sole and exclusive right (subject to the provisions and limitations contained in the Act) and for restraining all clandestine and illicit trade in, to, and from the East Indies, and parts aforesaid, should be reduced into one Act of Parliament: It is enacted, That if any of the subjects of his Majesty, his heirs or successors, of or belonging to Great Britain, or the islands of Guernsey, Jersey, Alderney, Sark, or Man, or Faro Isles, or to any of his Majesty's colonies, islands, or plantations in America or the West Indies, other than such as by said United Company shall be licensed, or otherwise thereunto lawfully authorized, shall at any time before such determination of the said Company's whole and sole trade as is herein before limited, directly or indirectly sail to, visit, haunt, frequent, trade, traffick, or adventure to, in, or from the said East Indies, or other parts herein-before mentioned, contrary to the limitations and provisions of the Act, or the true intent or meaning thereof, all and every such offender or offenders shall incur the forfeiture and loss of all the ships and vessels belonging to or employed by such subjects respectively, with the guns, tackle, apparel, and furniture thereunto belonging, and also all the goods and merchandize laden thereupon, or which were or shall be sent, acquired, traded, trafficked, or adventured within the said East Indies, or parts aforesaid, and all the proceeds and effects of such goods and merchandize, and double the value thereof (to wit) one fourth part of such forfeiture to such person or persons who shall seize, inform, or sue for the same, and the other three fourth parts thereof to the use of said United Company, they defraying thereout the charges of prosecution.

CXXX. That all and every subject and subjects of his Majesty, his heirs or successors, of or belonging to Great Britain, or the islands, colonies, or plantations aforesaid, or any of them, who shall at any time or times, before such determination of said United Company's whole and sole trade as is herein-before limited, go, sail, or repair to the said East Indies, or parts aforesaid, against any of the provisions of the Act, shall be deemed and accounted to have unlawfully traded and trafficked there, and all the ships, goods, and merchandize which shall be employed therein, or found in his or their custody, or in the custody of any other person or persons by his or their employment, order, or procurement, shall and may be seized, and shall be forfeited, with double the value thereof, one fourth of which forfeiture shall belong to the person or persons who shall seize,

Inform, or sue for the same, and three fourths thereof shall be to the use of said United Company, they thereout defraying the charges of prosecution.

CXXXI. That if any subject or subjects of his Majesty, his heirs or successors, of or belonging to Great Britain, or any of the islands, colonies, or plantations aforesaid, not being lawfully licensed or authorized, shall at any time or times before such determination of said Company's whole and sole trade, as is therein before limited, directly or indirectly go, sail, or repair to, or be found in the East Indies, or any of the parts aforesaid, all and every such person and persons are thereby declared to be guilty of a high crime and misdemeanor, and being convicted thereof shall be liable to such fine or imprisonment, or both fine and imprisonment, as the court in which such person or persons shall be convicted shall think fit; and in case of a fine, one moiety thereof shall belong to his Majesty, his heirs or successors, and the other moiety thereof to said United Company, if they shall prosecute the said offence, or otherwise such moiety shall be to the use of such person or persons as shall prosecute the same.

CXXXII. That at any time or times, before such determination of said Company's whole and sole trade as is herein before limited, it shall and may be lawful to and for the said Company and their successors, by and through such person or persons as is and are hereafter mentioned, to take, arrest, and seize, or cause to be taken, arrested, and seized, at any place or places within the East Indies, or parts aforesaid, all and every person and persons, being a subject or subjects of his Majesty, his heirs or successors, of or belonging to Great Britain, or to any of the islands, colonies, or plantations aforesaid, who shall go, sail, or repair to, or be, or be found within the said East Indies or parts aforesaid, against any of the provisions of the Act, and him or them to remit and send or bring to England, there to answer for his, her, or their offence according to due course of law; and when such person or persons shall arrive in England, it shall and may be lawful to and for any one or more of his Majesty's justices of the peace, and he and they are thereby authorized and required to commit all and every such person or persons to the next county gaol, there to remain until sufficient security be given, by natural-born subjects or denizens, for the appearance of such person or persons in the court in which he or they shall or may be sued or prosecuted, or shall be under actual prosecution in respect of such his or their offence, and for his or their not going out of court, or out of the kingdom, without the leave of such court.

CXXXIII. That the powers and authorities thereby given to said Company, of taking, arresting, seizing, remitting, or sending to England, any such person or persons as aforesaid, together with the power of seizing any ships, vessels, goods, merchandize, and effects by the Act made liable to seizure or forfeiture, shall and may be enforced and put in execution in the name of said Company, by the order and authority of the Governor General of Fort William in Bengal, or the Governor General of Fort St. George, and Governor of Bombay for the time being respectively, or by any chief officer of said Company, resident at any other of the British settlements in the East Indies respectively, or by the order and authority of the said Company's Council of Supra Cargoes for the time being, at the town or factory of Canton, within the said town or factory, and upon the river of Canton, or other part of the coasts of China, and by such other persons as shall be from time

time to time especially deputed and authorized for that purpose by the Court of Directors of said United Company for the time being.

CXXXIV. That during such time as said Company shall have such whole and sole trade as aforesaid, if any person or persons who shall have been dismissed from, or shall have voluntarily resigned the service of said Company, or any free merchant, free mariner, or other person whose covenants or agreements with said Company shall be expired or have ceased, or whose license to go to, or traffick, trade, or reside within the said East Indies, or parts aforesaid, shall have ceased and determined, shall be or be found in the East Indies, or parts aforesaid, after the expiration of such time as shall be allowed by the respective Governments or Presidencies in India, wherein such person or persons shall be or be found, every such person and persons shall be deemed and taken, to all intents and purposes whatever, to have unlawfully traded in the said parts and limits contrary to this Act, and shall be subject to all the penalties, forfeitures, and provisions of this Act, against persons unlawfully going to, or trafficking, trading, or adventuring, or found in any place within the said parts and limits accordingly.

CXXXV. That all the goods, merchandize, treasure, and effects, which shall at any time or times, before such determination of said Company's whole and sole trade as aforesaid, be shipped or put on board any ship or ships, or vessel or vessels, bound from Great Britain to the East Indies, or the parts aforesaid (other than and except the goods, merchandize, treasure, and effects of said Company, or of other persons lawfully shipping the same, under the limitations and provisions of the Act, and according to the true intent and meaning of the same, and except the naval stores, provisions, and necessaries for such ship or ships to perform their voyage), as also all and every the goods, merchandize, treasure and effects, which shall from and after the time aforesaid be taken out of any such ship or vessel in her voyage homeward from the East Indies, or parts aforesaid, to England, before her arrival there, the same and every of them shall be forfeited, together with double the value thereof, and shall and may be seized; and the master or commander, or other officers of such ship or ships, vessel or vessels, for the time being, knowingly permitting or suffering any such goods, merchandize, treasure, or effects, to be shipped or put on board any such ship or ships so bound to the East Indies, or to be taken out of any such ship or ships bound from the East Indies, or parts aforesaid, to England, shall forfeit, for every such offence, the sum of £.1000, and moreover shall not be entitled to have, demand, or receive any wages whatsoever, nor shall the said Company be obliged, or compelled or compellable to pay any wages to, or to the use or upon the account of any such master, commander, or officer, for or in respect of the voyage so made or to be made by such master, commander, or officer; but if such ship shall have been taken up by said Company by charter party or hire, then the said Company shall have an allowance or deduction, in respect of the said wages, to the full amount thereof, out of the monies payable by them to the owner or owners of the ship to which such master or officer shall belong, for the hire or freight thereof; and every such master or officer who shall be convicted of such offence, shall be rendered incapable of again acting in the service of the said Company in any capacity whatever.

CXXXVI.

CXXXVI. That no person being a subject of his Majesty, his heirs or successors, of or belonging to Great Britain, or any of the islands, colonies, or plantations aforesaid, shall procure, solicit for, obtain, or act under any commission, authority, or pass from any foreign prince, state, or potentate whatsoever, to sail, go, or trade in or to the said East Indies, or any of the parts aforesaid, and every such person who shall offend therein shall incur and forfeit for every offence £.500, one half part of which penalty shall belong to such person or persons as shall inform or sue for the same, and the other half to said United Company, and if said United Company shall inform or sue for the same, then the whole of the said penalty shall belong to said Company.

CXXXVII. That it shall not be lawful for any Governor General, or Governor, or any Member of Council of the said Presidencies in India, to be concerned in any trade or traffick whatever, except on account of said Company, nor for any collector, supervisor, or other person employed or concerned in the collection of the revenues, or the administration of justice, in the provinces of Bengal, Bahar, and Orissa, or either of them, or their agents or servants, or any person or persons in trust for them or any of them, to carry on or be concerned in or to have any dealings or transactions, by way of traffick or trade, at any place within any of the provinces in India, or other parts, or to buy any goods, and sell the same again, or any part thereof, at the place where he or they bought the same, or at any other place within the same province, or any other such province or country respectively, except on account of said Company; nor shall it be lawful for any of the Judges of the Supreme Court of Judicature to be concerned in any trade or traffick whatever; nor shall it be lawful for any of his Majesty's subjects in the said provinces to engage, intermeddle, or be in anywise concerned, directly or indirectly, in the inland trade in salt, beetle nut, tobacco, or rice, except on the account of said Company, or with their permission, on pain of forfeiting all such goods or commodities which they, or any of them, shall so buy and sell again, by way of traffick, or in which any of them shall so trade, and also treble the value thereof, one moiety to said United Company, and the other moiety to him or them who will sue for the same.

CXXXVIII. That before such determination of said United Company's sole and whole trade as is therein-before limited, it shall not be lawful for any subject of his Majesty, his heirs or successors, of or belonging to Great Britain, or any of the islands, colonies, or plantations aforesaid, either in his own name or in the name of any other person or persons whatever, to carry on or be concerned, at his or their own risque, or for his or their own benefit, in the sending any kind of goods and merchandizes, the produce or manufacture of the East Indies or China, by the way of Suez, or by any other channel to Europe, otherwise than as is allowed or provided by the Act, and if any such subject shall carry on or be concerned in any such trade or traffick on his own account, contrary hereto, he shall forfeit and pay to said United Company double the value of the goods and merchandizes which shall by him or them be so unlawfully sent to Europe.

CXXXIX. That the said last-mentioned restriction shall not extend to preclude any of the servants of the said United Company (other than such of them as shall or may be specially prohibited by any law or statute, or by any order of said Company, or their Governments abroad, and other than and in respect of the inland trade in salt, beetle nut, tobacco, and rice), or any free merchants

chants licensed by said Company to reside in India, or other parts within their said limits, from buying any goods in India, and selling the same again in India to the subjects of any foreign nation or state, or from acting as agents or factors in the importing or exporting, buying or selling goods in India, for or on the account *bona fide* of any foreign company or any foreign merchant.

CXI. That all penalties, forfeitures, seizures, causes of seizure, crimes, misdemeanors, and other offences, which shall arise, or be incurred or made under, or committed against this Act, shall be sued for, prosecuted, examined, recovered, and adjudged in any of his Majesty's Courts of Record at Westminster, or in the Supreme Court of Judicature at Fort William in Bengal, or in one of the Mayor's Courts at Madras or Bombay respectively, in manner following; (that is to say) all such pecuniary penalties, and all forfeitures of ships, vessels, merchandize, and goods, shall and may be sued for, condemned, and recovered by action, bill, suit, or information, wherein no essoin, protection, wager of law, or more than one imparlance shall be granted or allowed; and all such seizures, whether of any person or of any ships, vessels, merchandizes, and goods, and all causes of such seizure, shall be cognizable in such actions, suits, or prosecutions, as shall bring into question, or relate to the lawfulness or regularity of any such seizure; and all such offences as by the Act are not made punishable by pecuniary penalties, or by any forfeitures of goods, but by fine or imprisonment, or both, or are thereby created, without providing any particular punishment, shall be prosecuted by indictment or information as misdemeanors, for breach thereof, and shall be punished by fine or imprisonment, or both, at the discretion of the court in which such prosecution shall by virtue of that Act be begun and carried on; and if such prosecution for a misdemeanor shall be in any of the said Courts in the East Indies, and the person or persons prosecuted shall be there convicted, it shall be lawful for such Court to order, as part or for the whole of the punishment, any such person or persons to be sent and conveyed to Great Britain.

CXII. That whenever any action shall be brought or prosecuted in any of his Majesty's Courts of Record at Westminster, for any offence against the Act, whether for a penalty, forfeiture, or misdemeanor, the offence shall be laid or alledged to have been committed in the city of London or county of Middlesex, at the option of the informer or prosecutor; and all actions, &c. for any offence or offences against the Act, whether filed, brought, commenced, or prosecuted for a penalty or forfeiture, or for a misdemeanor, in any of his Majesty's Courts of Record at Westminster, or in the said Supreme Court, or any such Mayor's Court as aforesaid, shall be brought and prosecuted within six years next after the offence shall be committed, and a *capias* shall issue in the first process, and in the case of an offence hereby made punishable by any penalty or forfeiture, such *capias* shall specify the sum of the penalty or forfeiture sued for, and the person or persons sued or prosecuted for such penalty shall, on such *capias*, give to the person or persons to whom such *capias* shall be directed, sufficient bail or security, by natural-born subjects or denizens, for appearing in the Court out of which such *capias* shall issue, at the day or return of such writ, to answer such suit or prosecution, and shall likewise, at the time of such appearance, give sufficient bail or security, by such persons aforesaid, in the same Court, to answer and pay all the forfeitures and penalties sued for, if he, she, or they shall be convicted of such offence or offences, or to yield his, her, or their body or bodies to prison; but if the prosecution shall be for any offence or offences against

the Act, punishable only as a misdemeanor, then the person or persons against whom such *capias* shall issue, being thereupon arrested, shall be imprisoned and bailable according to law, as in other cases of misdemeanor.

CXLII. And, for more effectually preventing all such illegal or clandestine trading or traffick-
ing as is hereby made punishable by the forfeiture of goods or merchandizes; and in respect of the
difficulty there may be of ascertaining what goods and merchandizes have been so illegally or clan-
destinely trafficked with, and the value thereof; and for securing to the Crown the duties on the
goods so illegally trafficked with, and to the said United Company a reparation by way of damages,
for such illegal or clandestine trading; it is further enacted, That it shall be lawful for his Majesty's
Attorney General, either at the relation of said United Company, or by his own authority, to ex-
hibit a bill or bills of complaint in his Majesty's Court of Exchequer, against any person or persons
trading, dealing, trafficking, or adventuring in, to, or from the East Indies, in breach of this Act,
or against any person or persons concerned as agent, factor, or copartner, with such illegal traders,
for discovery of such trading, dealing, trafficking, or adventuring, and for recovery of such duties
to the Crown, and such damages to said United Company, as herein-after are mentioned, so that
every such bill contain a waiver or disclaimer of all the penalties and forfeitures incurred by any
such person or persons, for the matters contained in such bill; and such person and persons shall
answer the said bill or bills, and shall not plead or demur to the discovery thereby sought, and shall
pay to his Majesty the customs and duties of the goods and merchandize arising, produced, or pur-
chased, by the said unlawful trade, traffick, or adventuring, and shall also, as a reparation to said
Company in damages, answer and pay to the said Company, for the same goods and merchandize,
after the rate of *£.30 per cent.* according to the value thereof in England; and if such offender or
offenders shall pay the said duties and customs, or the amount thereof, into his Majesty's Exchequer
for the use of his Majesty, and the said damages to said Company, he or they shall not be prose-
cuted upon any other branch or provision of this Act, for the same offence; and if such bill or bills
shall be exhibited at the relation of said Company, and shall be dismissed by the said Court of Ex-
chequer, in favour of any defendant or defendants, said Company shall pay to all and every
such defendant and defendants his and their costs of suit; but if a decree shall be obtained
against the defendant or defendants, he or they shall pay costs to his Majesty and the relators re-
spectively.

CXLIII. That if before any suit or prosecution shall be commenced for the recovery of any
penalty or penalties, or forfeiture or forfeitures, under the Act, by his Majesty's Attorney Gene-
ral, or the said United Company, any common informer or informers shall go to the Court of
Directors of said United Company, and make known to them the offence committed, and instead
thereof said Court of Directors shall elect to have the suit or prosecution brought or commenced by
bill or bills of complaint, to be filed or exhibited in his Majesty's Court of Chancery or of Ex-
chequer at Westminster, then and in every such case there shall be yielded and paid to such com-
mon informer or informers one third part of the single value of the said interest and concern when
recovered; but if said Court of Directors shall elect to have the suit or prosecution commenced for
the penalties or forfeitures by information or action at law, then the said informer or informers
shall and may accordingly sue for the same at law, and the said information or action shall be pro-
ceeded

ceeded upon, and shall not be discontinued or determined except with the consent of said United Company, or their Court of Directors.

CXLIV. That if the said United Company shall first inform, sue, and prosecute for any penalty or forfeiture for any of the offences against the Act, then the part, share, and proportion of the penalties and forfeitures, otherwise given or appointed by the Act to any other person or persons who shall sue or inform for the same, shall devolve upon and be to the use of said United Company, although such information, suit, or prosecution be commenced by said United Company after lapse of the time limited by law for the suit, prosecution, or information of the common informer.

CXLV. If actions be brought for unlawful arresting of persons found in the East Indies, &c. the defendants may plead the general issue.

CXLVI. That so much of an Act made in the ninth and tenth years of the reign of King William the Third, intituled, "An Act for raising a Sum not exceeding Two Millions, upon a Fund for Payment of Annuities after the Rate of Eight pounds *per Cent. per Ann.* and for settling the Trade to the East Indies," as inflicts any penalty or forfeiture for visiting, haunting, frequenting, trading, trafficking, or adventuring in, to, or from the East Indies, or other parts before mentioned, contrary to the true meaning of the said Act; and the whole of an Act made in the fifth year of the reign of King George the First, intituled, "An Act for the better securing the lawful Trade of His Majesty's Subjects to and from the East Indies, and for the more effectually preventing all his Majesty's Subjects trading thither under foreign Commissions;" and so much of an Act or Acts as continues the said Act of the fifth of King George the First; and so much of an Act of the seventh year of King George the First, intituled, "An Act for the further preventing His Majesty's Subjects from trading to the East Indies under Foreign Commissions, and for encouraging and further securing the lawful Trade thereto, and for further regulating the Pilots of Dover, Deal, and the Isle of Thanet," as relates to the Punishment or Prosecution of Persons for sailing, going, or repairing to, or trading, trafficking, or adventuring in, to, or from the East Indies, or parts aforesaid, to the prejudice of said United Company, contrary to the laws then in being, or to the said Act; and the whole of an Act made in the ninth year of King George the First, intituled, "An Act to prevent his Majesty's Subjects from subscribing or being concerned in encouraging or promoting any Subscription for an East India Company in the Austrian Netherlands, and for the better securing the lawful Trade of His Majesty's Subjects to and from the East Indies;" and so much of an Act made in the third year of King George the Second, intituled, "An Act for reducing the Annuity or Fund of the United East India Company, and for ascertaining their Right of Trade to the East Indies, and the Continuance of their Corporation for that Purpose, upon the terms therein mentioned;" and so much of an Act made in the seventeenth year of King George the Second, intituled, "An Act for granting to His Majesty the Surplus or Remainder of the Monies arisen or to arise by the Duties on Spirituous Liquors, granted by an Act of the last Session of Parliament, and for explaining and amending the said Act in Relation to the Retailers of such Liquors, and for establishing an Agreement with the United Company of Merchants of England trading to the East Indies," as respectively creates

any penalty or forfeiture, with a reference to the said Act of the seventh of King George the First, for the mode of suing, distributing and recovering the same; and so much of an Act made in the tenth year of his present Majesty, intituled, "An Act for better regulating Persons employed in the Service of the East India Company, and for other Purposes therein mentioned," as subjects any persons concerned in the Illicit trade to, in, or from the East Indies therein recited, or in any trade thereby made punishable, to any penalty or penalties; and also so much of an Act made in the thirteenth year of his present Majesty, intituled, "An Act for establishing certain Regulations for the better Management of the Affairs of the East India Company, as well in India as in Europe," as provides for the delivery of any letters or advices to the principal Secretaries of State, or as makes it unlawful for any Governor General, or any of the Council of the Presidency of Fort William in Bengal, or any Chief Justice, or any of the Judges of the Supreme Court of Judicature, at Fort William aforesaid, to be concerned in any dealings or transactions by way of traffick or commerce, and as makes it unlawful for any collector, supervisor, or any other of his Majesty's subjects employed or concerned in the collection of the revenues or the administration of justice in the provinces of Bengal, Bahar, and Orissa, or their agents or servants, or any person in trust for them, to buy any goods or commodities by way of trade in those provinces, and to sell again within the same provinces, and as makes it unlawful for any of his Majesty's subjects in the said provinces to be concerned in the inland trade in salt, beetle nut, tobacco, or rice, except as therein mentioned; and as makes it unlawful for persons dismissed from or resigning the service of said Company, or for any free merchant, free mariner, or other person, whose covenants or agreements with said Company shall be expired, to be concerned in any trade or commerce in the East Indies, other than for the disposal of his or their stock in hand, without the license of said Company, or such Governor General and Council, or President and Council, as therein are mentioned; and so much of the aforesaid Act made in the twenty-first year of his present Majesty as prohibits any of the servants of said Company, or other British subjects in India, from lending money to any foreign company or foreign European merchants, or to purchase goods in India for and on account of any such Companies or merchants, or from being concerned in lending money or purchasing goods to furnish any such companies or merchants, with the credit of such bills of exchange as are described in the said Act, or as makes provision, by penalty or forfeiture, or otherwise, for securing the sole and exclusive trade of said United Company, in, to, and from the East Indies and parts aforesaid, subject as therein is mentioned, or as prohibits the Court of Directors of said Company from putting a stop to any suit or suits, or to remit or mitigate the penalty, damages, or satisfaction, sought to be recovered thereby before a final judgment or decree obtained in such suit or suits; and also an Act made in the twenty-fourth year of his Majesty's reign, intituled, "An Act for the better Regulation and Management of the Affairs of the East India Company, and the British Possessions in India, and for establishing a Court of Judicature for the more speedy and effectual Trial of Persons accused of Offences committed in the East Indies," save and except so much and such parts of the last-mentioned Act as relate to the debts of the Nabob of Arcot or the Rajah of Tanjore, or as provides for the redress of injuries and wrongs to any Rajahs, Zemindars, Polygars, Talookdars, and other native landholders within the British territories in India, and except so much and such parts of the same Act as are now in force for providing for, or which relate to

or

or concern the new Court of Judicature by the said Act established for the more speedy and effectual trial of persons so accused of offences committed in the East Indies, or any proceedings had or to be had by or under the authority of the said Court, and not by the Act varied or altered, and also except such parts of the said Act as provides for the repeal of any former Act or Acts; and also an Act made in the twenty-sixth year of his Majesty's reign, intituled, "An Act to explain and amend certain Provisions of an Act made in the twenty-fourth Year of the Reign of his present Majesty, respecting the better Regulation and Management of the Affairs of the East India Company," except so much thereof as repeals any former Act or Acts; and also so much of an Act made in the same twenty-sixth year of his present Majesty, for the further regulation of the trial of persons accused of certain offences committed in the East Indies, and for other the purposes in the title of the said Act mentioned, as makes offences against any law for securing such exclusive trade as aforesaid to said United Company, and all forfeitures and penalties for illicitly trading or for being in the East Indies, prosecutable, or make any seizure of any ship or goods within the limits of the said exclusive trade cognizable in the Supreme Court of Judicature at Fort William in Bengal, or in the respective Mayor's Courts of Fort St. George and Bombay, or as relates to persons whose licenses to go to or trade, or reside within the limits of the said exclusive trade shall have ceased and determined, or who shall have been dismissed from or have resigned the said Company's service, or as relates to or as makes the powers of arresting, seizing, remitting, or sending to England, any person or persons in the East Indies, or limits aforesaid, or for seizing any ships or goods liable to seizure by said Company, enforceable and executable by the Governor General and Council of Fort William in Bengal, or the Presidents and Councils of Fort Saint George and Bombay respectively, or the other person and persons therein mentioned, shall be and are thereby repealed and made void.

CI., And, for obviating any doubts which might otherwise arise how far any of his Majesty's subjects may, notwithstanding the aforesaid repeal of the said several acts or parts of acts, be entitled to recover any debts due to them in Great Britain, or in parts beyond the seas, or otherwise to enforce the execution of any contracts or agreements, by reason of any pretext, to be set up by any other person or persons, that such debts were contracted, or that such contracts or agreements were made, contrary to the restrictions or prohibitions in the said acts, or some of them, contained, be it further enacted, That it shall not be competent or lawful to or for any defendant or defendants in any suit or action now depending, or hereafter to be brought in any court either in Great Britain or in the East Indies, to plead or set up any act or acts, in the whole or in part repealed by the act, in bar of any such suit or action, or of any judgment or recovery to be obtained therein, but that the plaintiff or plaintiffs in all and every such suits or actions, as well in law as in equity, shall have the same remedy to recover, and be entitled to the like judgment, verdict, decree, and execution as if the said acts or parts of acts so repealed had never been made, any act or acts to the contrary notwithstanding.

CIV. And whereas, by the Charter of Justice under the Great Seal of Great Britain, bearing date the 26th of March, in the fourteenth year of his present Majesty's reign, for establishing the Supreme Court of Judicature of Fort William in Bengal, his Majesty did grant, ordain, establish,

and appoint, that the said Supreme Court of Judicature should be a Court of Admiralty, with power and authority to enquire, hear, try, examine, and determine, by the oaths of British subjects, all treasons, murders, piracies, robberies, felonies, maimings, forestallings, extortions, trespasses, misdemeanors, offences, excesses, and enormities, and maritime causes whatsoever, according to the laws and customs of the Admiralty of England, done, perpetrated, or committed upon the high seas, rivers, ports, creeks, harbours, and places overflown, within the ebbing and flowing of the sea and high water mark, within, about, and throughout the provinces, countries, or districts of Bengal, Bahar, and Orissa, and the territories or islands adjacent thereto and dependant thereon; the cognizance whereof doth belong to the jurisdiction of the Admiralty, as the same is used and exercised in that part of Great Britain called England: And whereas doubts have arisen how far the jurisdiction of the said Supreme Court, in criminal matters, is limited by the said Charter to offences committed on the coasts of Bengal, Bahar, and Orissa, territories or islands respectively within the ebbing and flowing of the sea and high water mark: And inasmuch as it is essentially necessary that the Admiralty jurisdiction of the said Supreme Court of Judicature should extend to crimes and offences committed on the high seas at large: It is further enacted and declared, That the power and authority of the said Court, granted to them by the said Charter of Justice, shall extend and be extended to the high seas, and that the said Court shall, by force and virtue of the act, have full power and authority to enquire, hear, try, examine, and determine, by the oaths of honest and lawful men, being British subjects, resident in the town of Calcutta, all treasons, murders, piracies, robberies, felonies, maimings, forestallings, extortions, trespasses, misdemeanors, offences, excesses, and enormities, and maritime causes whatsoever, according to the laws and customs of the Admiralty of England, done, perpetrated, or committed upon any of the high seas, and to fine, imprison, correct, punish, chastise, and reform parties guilty, and violators of the laws, in like and in as ample manner, to all intents and purposes, as the said Court might or could do if the same were done, perpetrated, or committed within the limits prescribed by the said Charter of justice, and not otherwise, or in any other manner.

CLX. That every person who shall hereafter be elected a Director of the said Company shall, within ten days next after his election, and before he shall take that office upon him (save only the administering the oath herein-after mentioned), instead of the oaths now prescribed to be taken by persons elected to be Directors of the said Company, take the following oath; (that is to say),

I *A. B.* do swear, that the sum of £.2,000 now standing in my name, of the stock of the United Company of Merchants of England trading to the East Indies, whereof I am elected to be a Director, doth at this time belong to me in my own right, and not in trust for any other person or persons whomsoever: And I do further swear, that in case I shall at any time or times, whilst I shall continue to be a Director of the said Company, have any dealings or business with the said Company upon my own account, separately or in conjunction with any other person or persons, for or in respect of buying for or selling to the said Company any bullion or other goods whatsoever, or in making any other bargain or contract whatsoever, by, to, or with the said Company, then and in every such case, previous to any treaty or negotiation upon such business or businesses, I will declare and record the same upon the proceedings of the Court or Committee where the
the

the same is to be transacted, and that I will withdraw from such Court or Committee during the discussion thereof, and will not return thereto until after such business or businesses shall be decided upon: And I do further swear, that I am not directly or indirectly interested, or concerned, as an owner or part owner, of or in any ship or vessel which at this time is hired or freighted, or is expected to be hired or freighted to or for the use of the said Company; and that during the time I shall continue to be a Director of the said Company, I will not become an owner or part owner of any ship or vessel which is or shall be so freighted, except such ships or shares of ships as shall come to me by bequest or marriage, or as next of kin of any person who shall die intestate, and that in all such cases I will forthwith give notice in writing to the Court of Directors of the said Company of my being so interested; and I do hereby promise that I will sell and dispose of my interest in such shipping within twelve months next after my interest therein shall accrue, or in default thereof shall and will vacate my place and office of a Director of the said Company: And further I do swear, that I will not directly or indirectly accept or take any perquisite, emolument, fee, present, or reward, upon any account whatsoever, or any promise or engagement for any perquisite, emolument, fee, present, or reward whatsoever, for or in respect of the appointment or nomination of any person or persons to any place or office in the gift or appointment of the said Company, or of me as a Director thereof, or for or on account of stationing or appointing the voyage or voyages of any ship or ships in the said Company's employ, or for or on account of, or any ways relating to, any other business or affairs of the said Company; And I do further swear, that I will be faithful to the said Company, and according to the best of my skill and understanding, give my best advice, counsel, and assistance for the support of the good government of the said Company, and during my continuance in the said Company, will not at any time or times ship, lade, send, direct or cause to be sent from England, or any other country, to the East Indies, or other parts within the limits wherein the said Company may lawfully trade by virtue of their Charter of Incorporation, or bring from thence, for my private account, any goods, coins, or other merchandizes, contrary to an Act of Parliament made in the thirty-third year of the reign of his Majesty King George the Third, intituled [*here insert the title of this act*]: And I do further faithfully promise and swear, that in the office of a Director of the said Company, I will be indifferent and equal to all manner of persons, and will in all things faithfully and honestly demean myself according to the best of my skill and understanding.

So help me God.

CIXI. And whereas, by an act made in the eighteenth year of the reign of his late Majesty King George the Second, intituled, "An Act for repealing the present Inland Duty of Four Shillings per Pound Weight upon all 'Tea sold in Great Britain, and for granting to His Majesty certain other Inland Duties in lieu thereof; and for better securing the Duty upon 'Tea, and other Duties of Excise; and for pursuing Offenders out of one County into another;" and by an act made in the thirteenth year of the reign of his present Majesty, intituled, "An Act to allow a Draw-back of the Duties of Customs on the Exportation of 'Tea to any of His Majesty's Colonies or Plantations in America; to encrease the Deposit on Bohea 'Tea to be sold at the East India Company's Sales, and to empower the Commissioners of the 'Treasury to grant Licenses to the East India Company to export 'Tea Duty free;" every person who should, at any public sale of tea made by said United Company, be declared to be the best bidder for any lot or lots of tea, is required

required, within three days after being so declared the best bidder or bidders for the same, to make such deposits with said United Company, for every tub and for every chest of tea, as in the said respective acts are mentioned, under and subject to such regulations, forfeitures, penalties, and disabilities, as in the same act are mentioned: And whereas it is expedient to vary the time of paying the said deposits; it is enacted, That, from and after the commencement of the act, the provision made in the said recited acts, with respect to the time of paying the said deposits, shall cease; and that in respect of all tea sold at the said Company's sales, at any time from and after the commencement of this act, the said deposits shall be paid at such times as is therein-after mentioned.

CLXII. That all suits and prosecutions for any thing done under or by virtue of the act shall be commenced within the space of three years after the cause of complaint shall have arisen, or, being done in Great Britain, in the absence of any person beyond sea aggrieved thereby, then within the space of three years next after the return of such person to Great Britain.

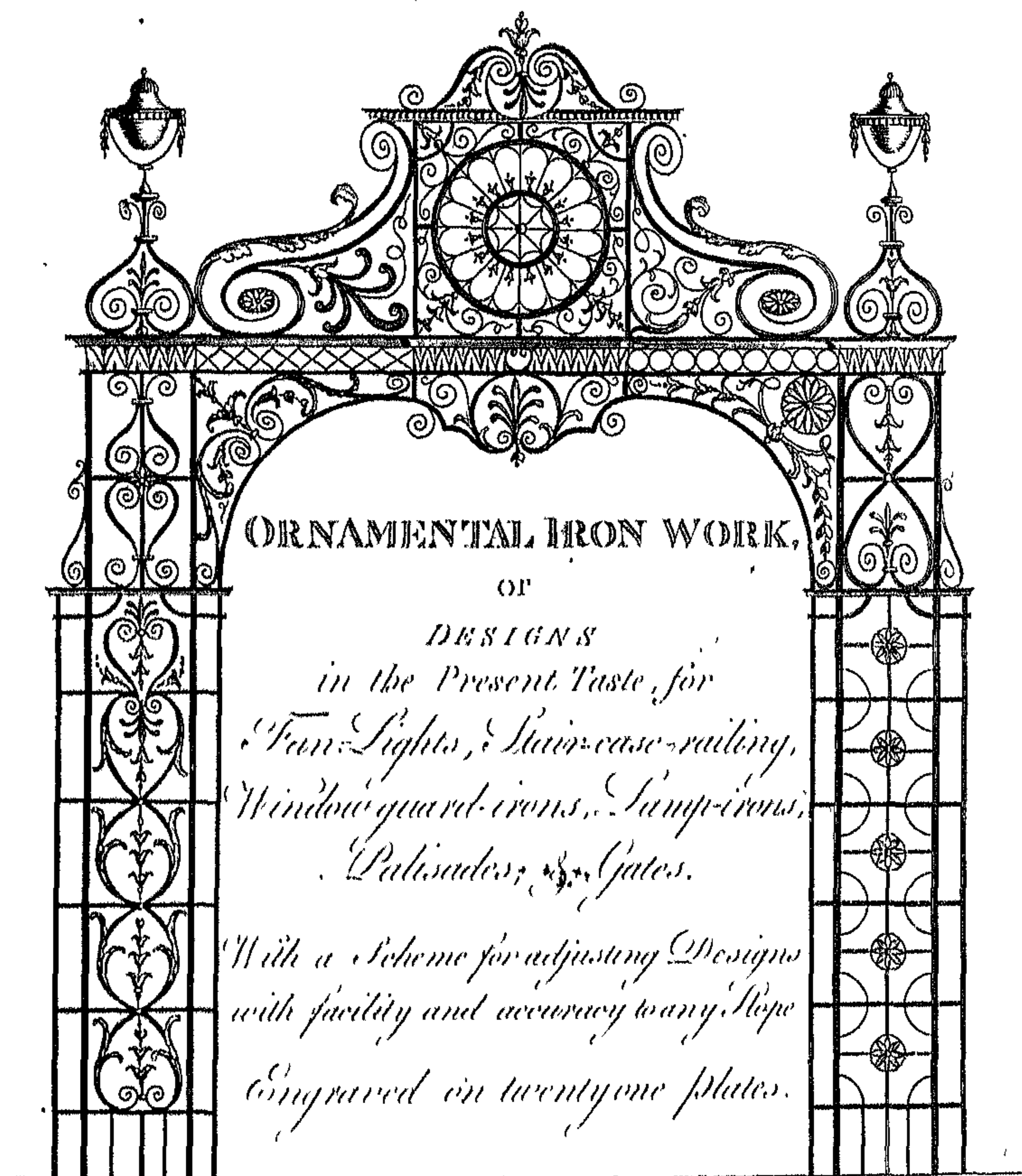
CLXIII. That so much and such parts of the act, in respect whereof no particular time or times of commencement is or are herein named or appointed, shall have commencement in Great Britain immediately after the act shall have received his Majesty's royal assent, and in the East Indies, and other parts and limits aforesaid, from the 1st of February 1794.

F I N I S.



Printed by BUNNEY and GOLD, Shoe-Lane, Fleet-Street.

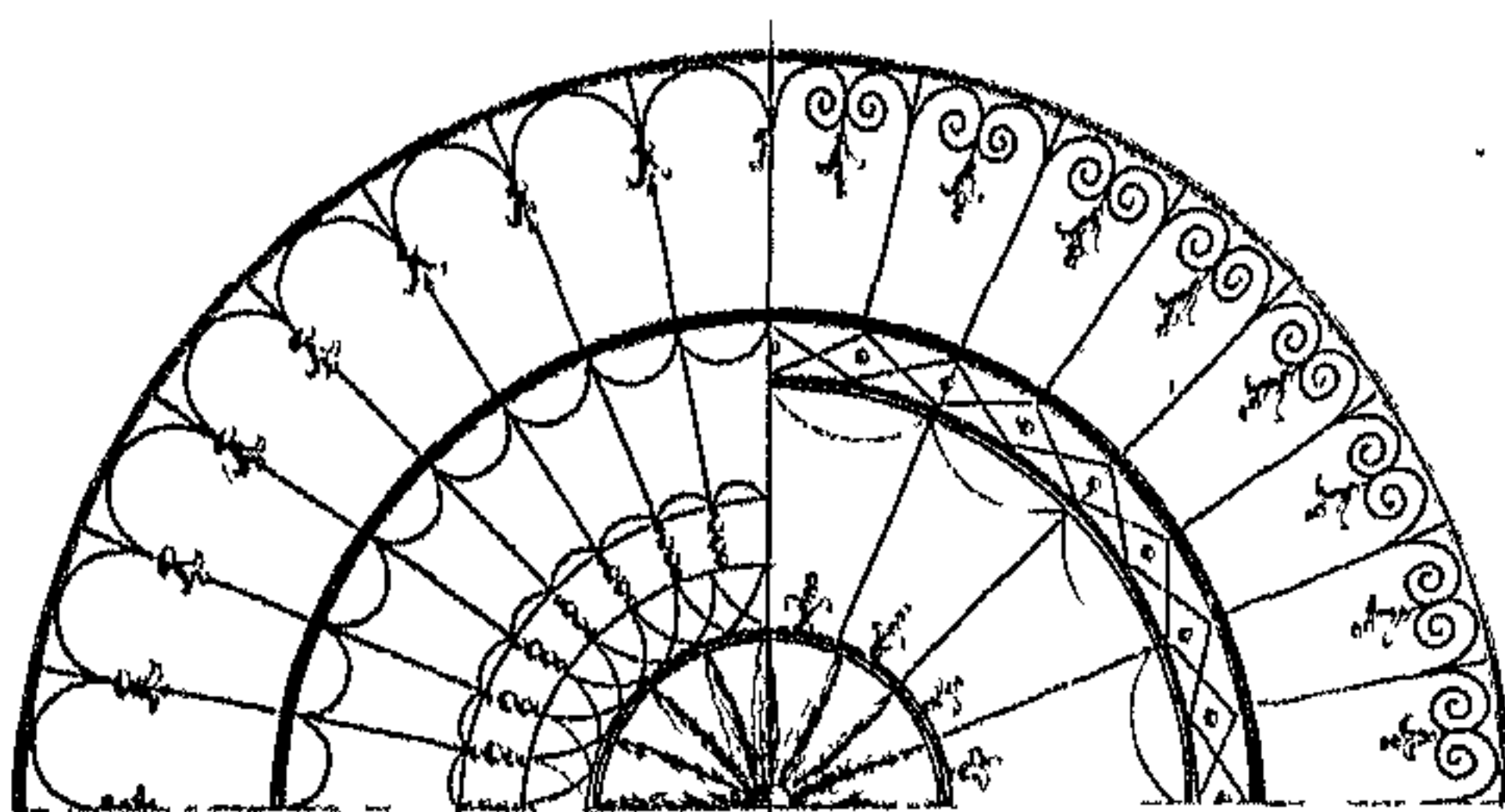
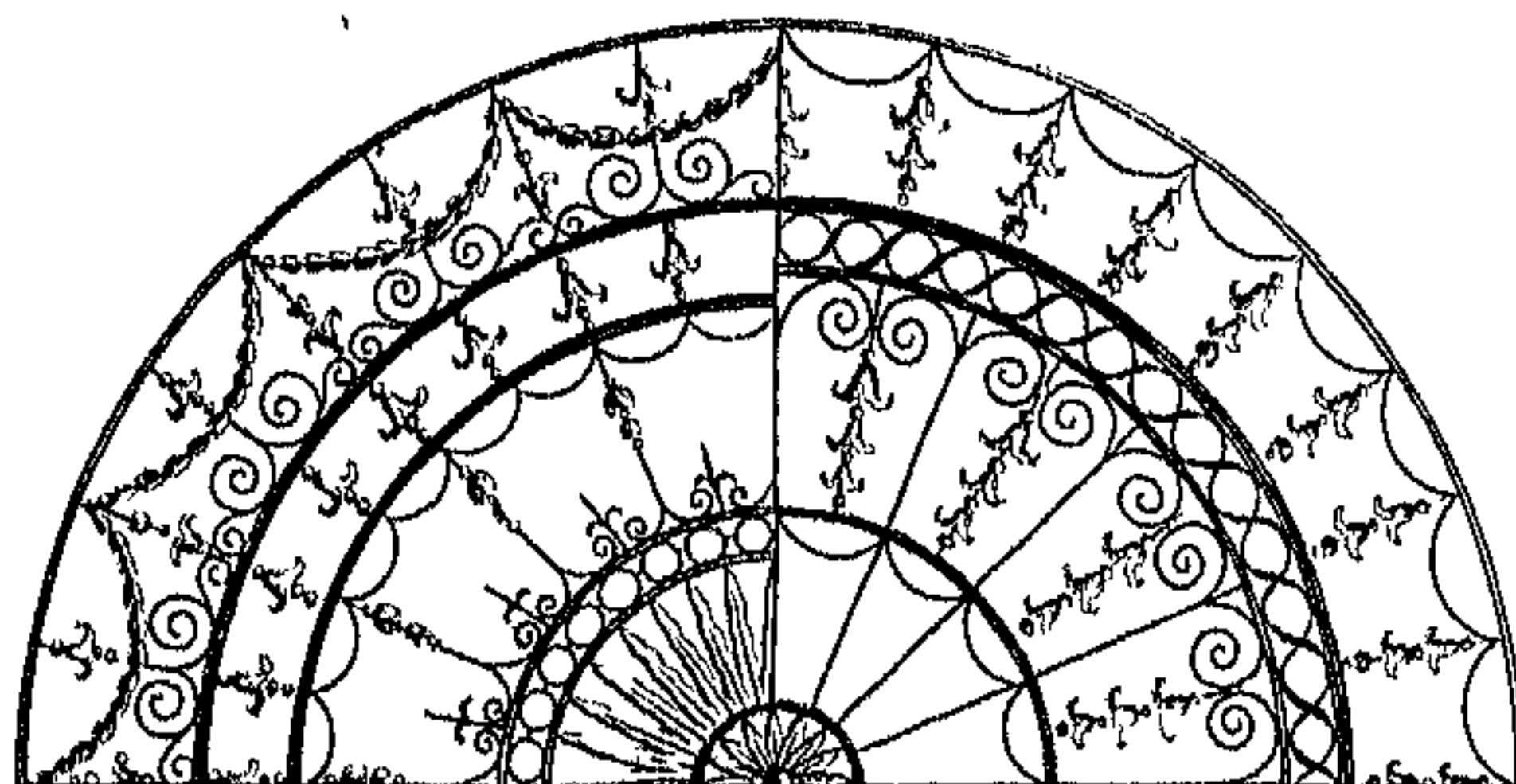
Designs for Gates.



LONDON,
Printed for T. & J. Taylor,
at the Architectural Library, No. 56. High Holborn.

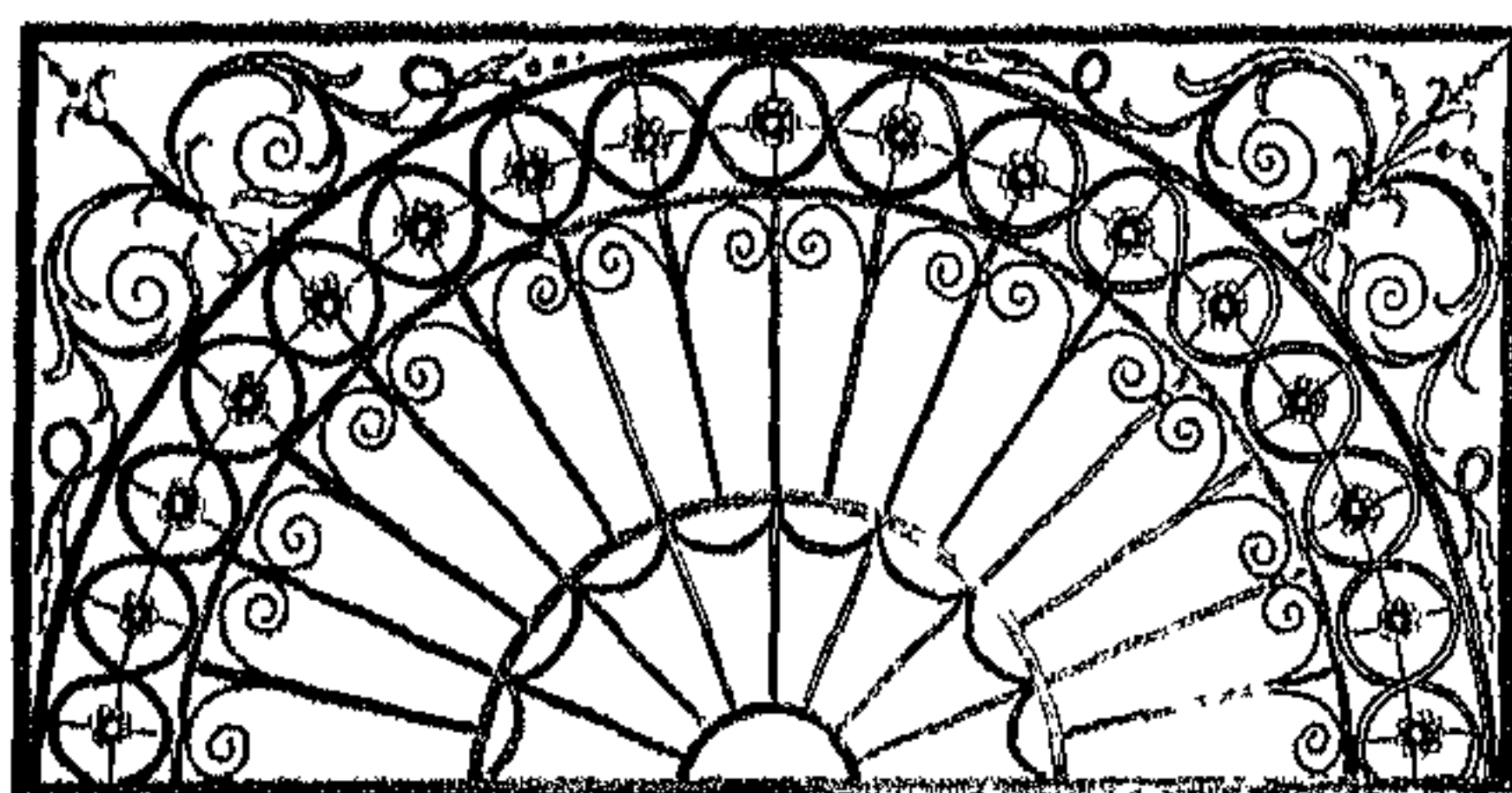
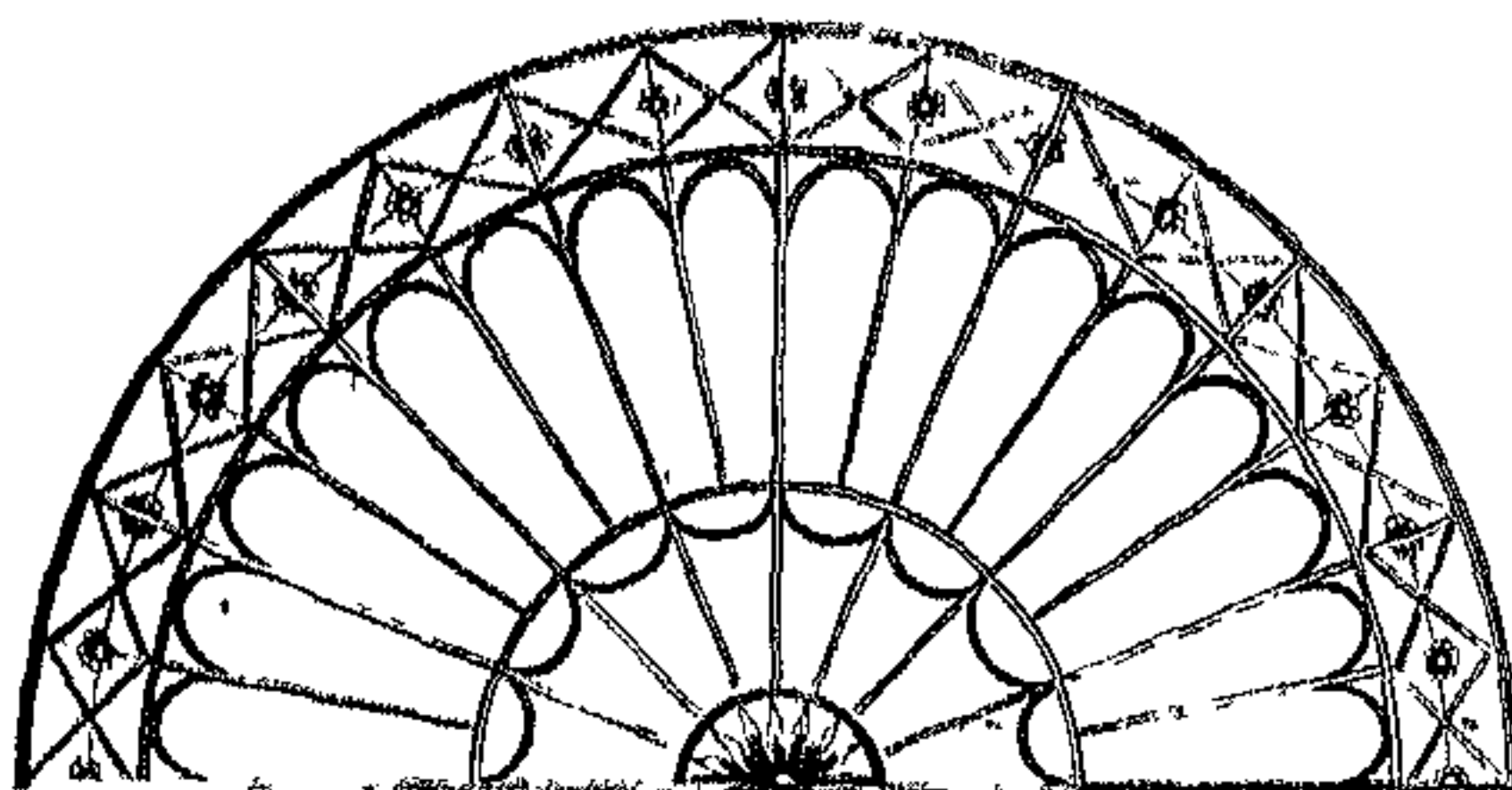


Fan Lights.





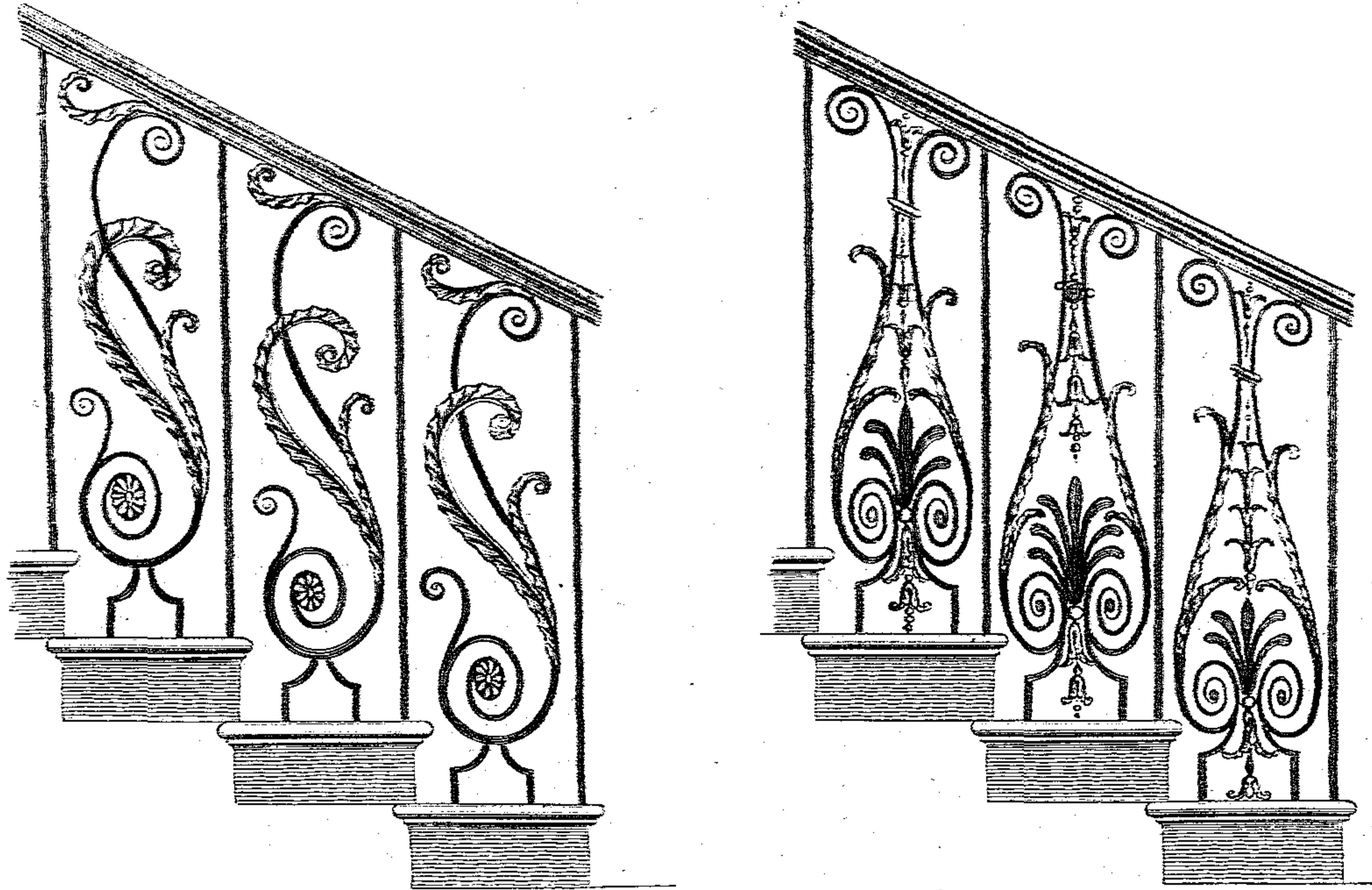
Fan Lights.





Stair case Railing.

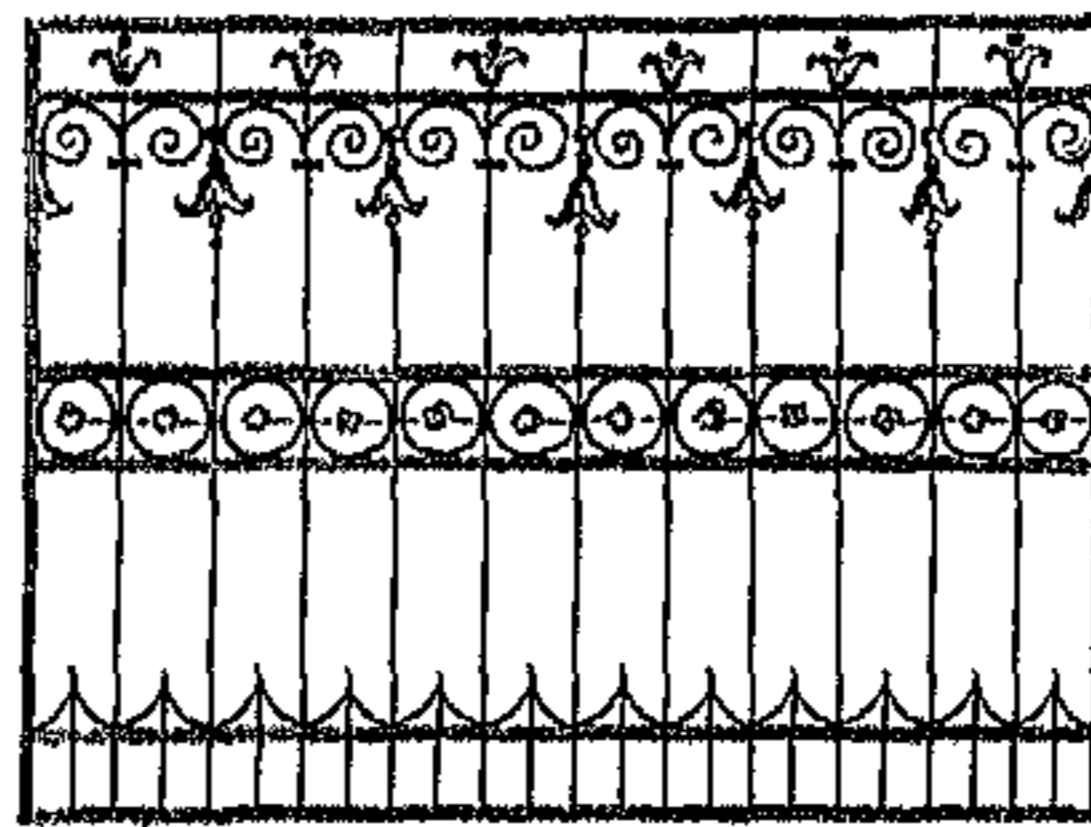
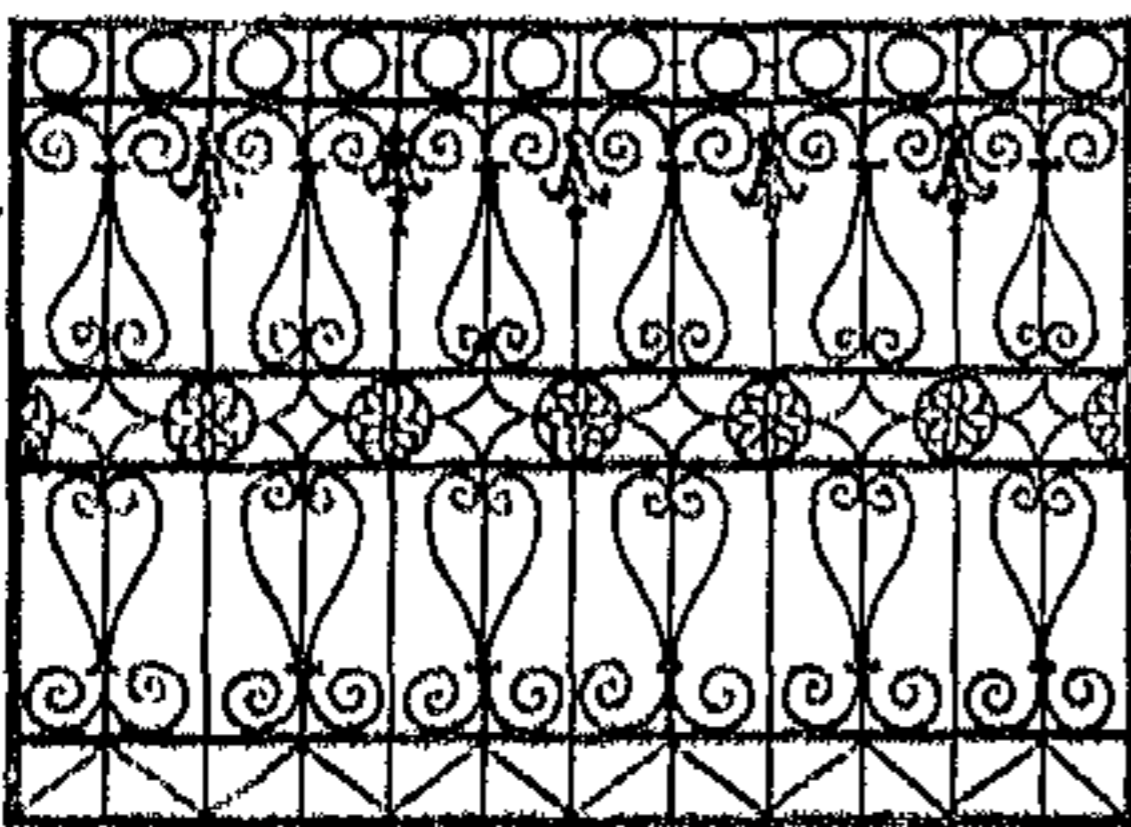
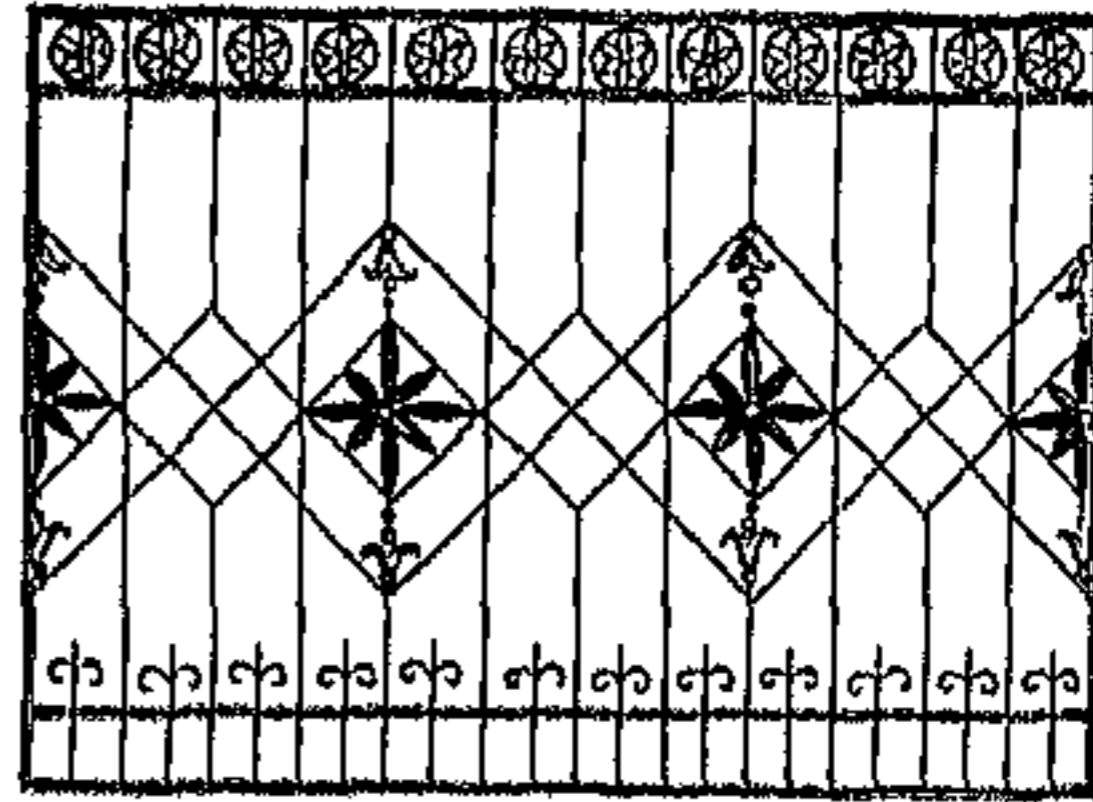
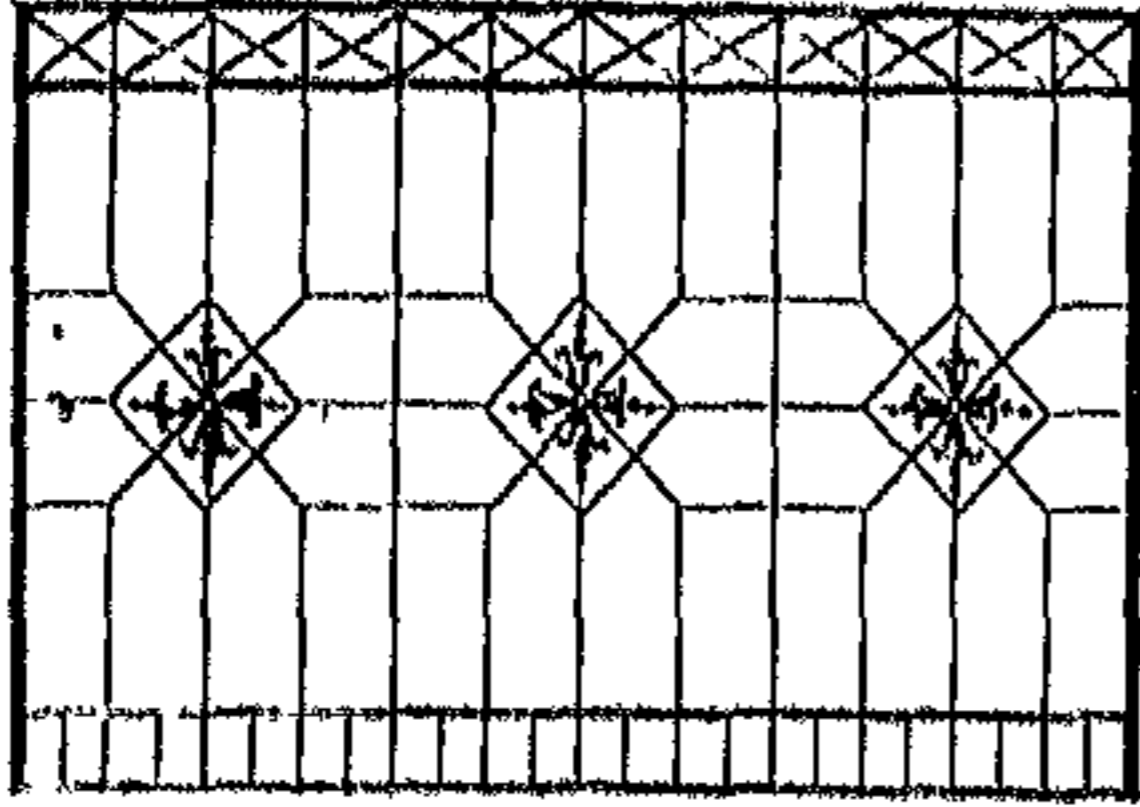
PLATE 4.



London. Printed for I. & J. Taylor, No 56, High Holborn.

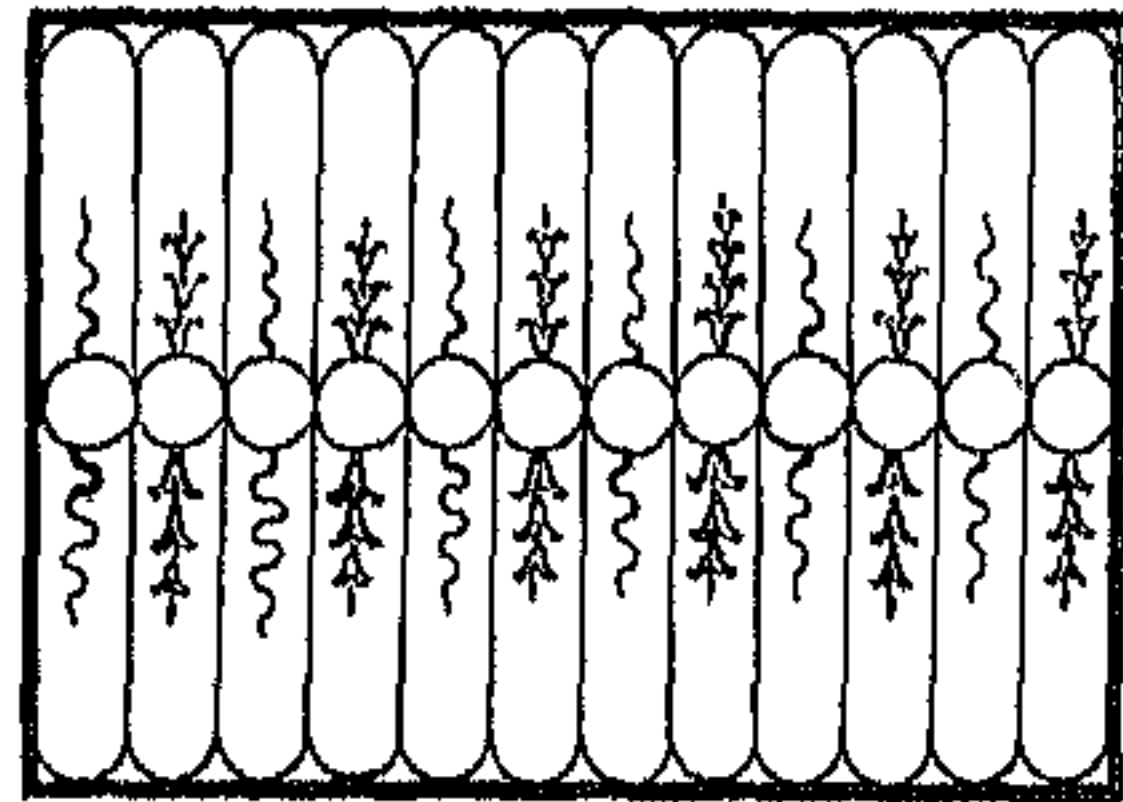
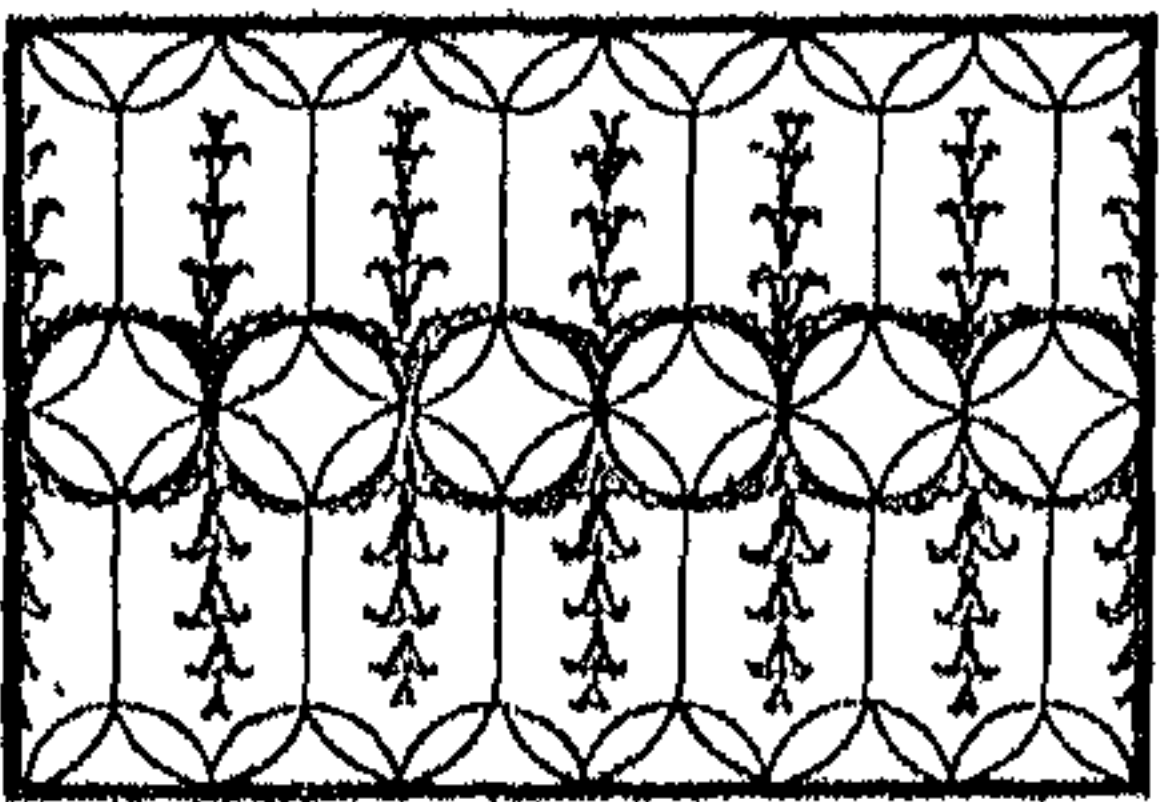
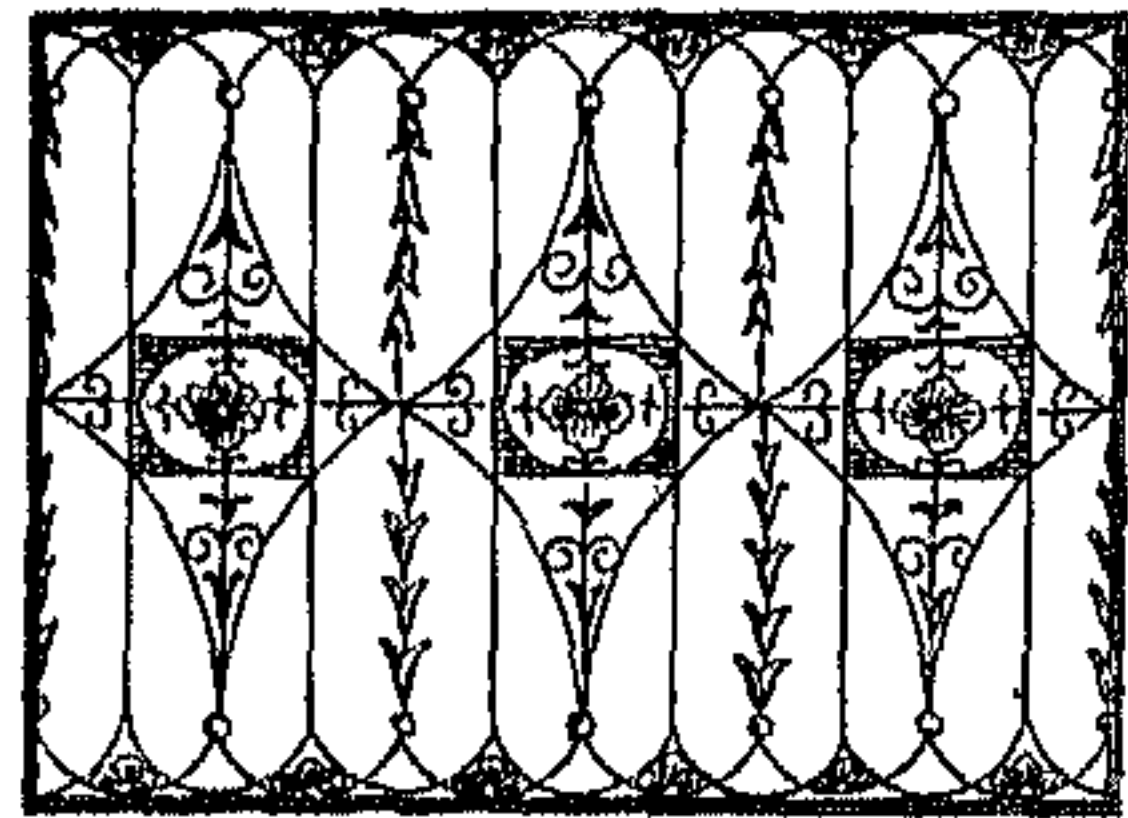
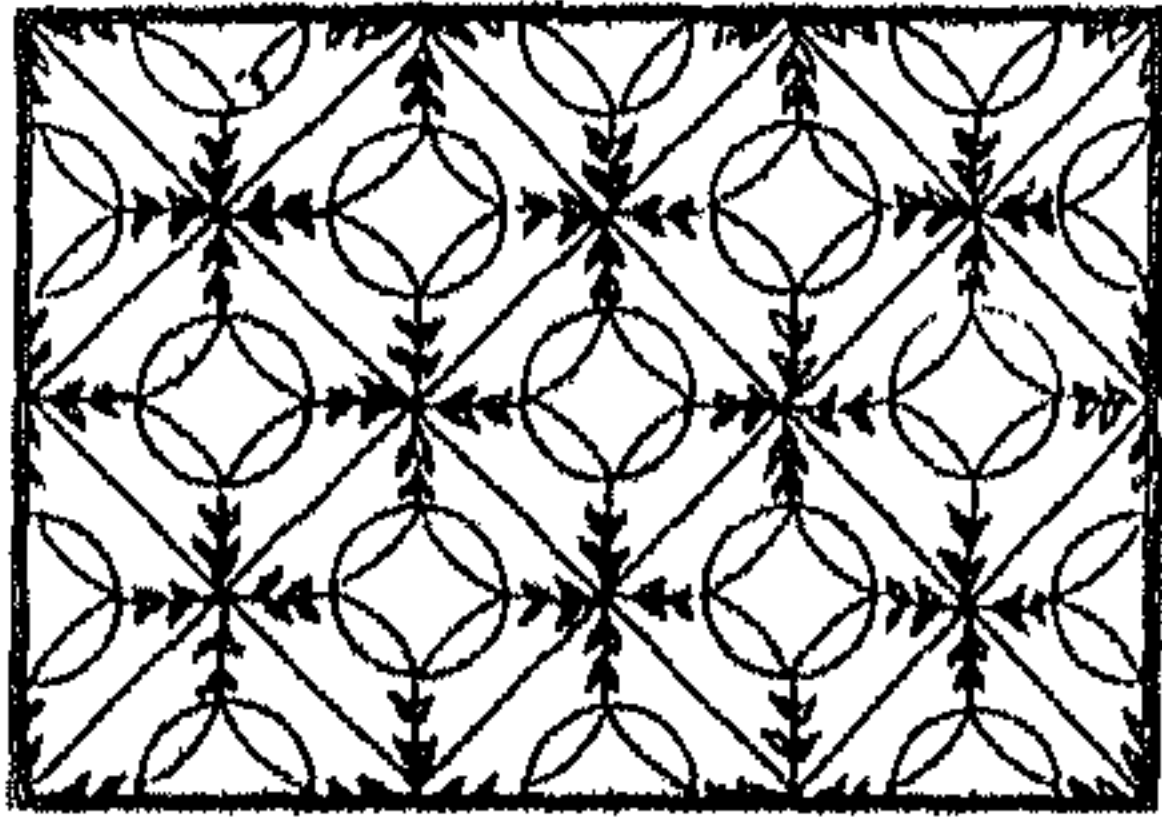


Guard Irons for Windows.

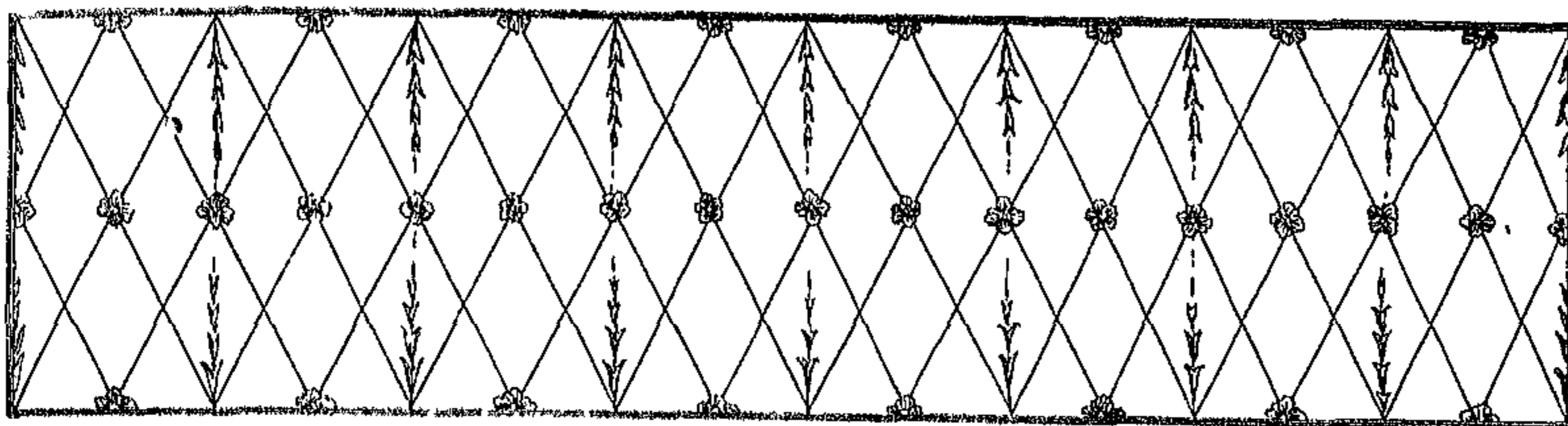


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LIBRARY

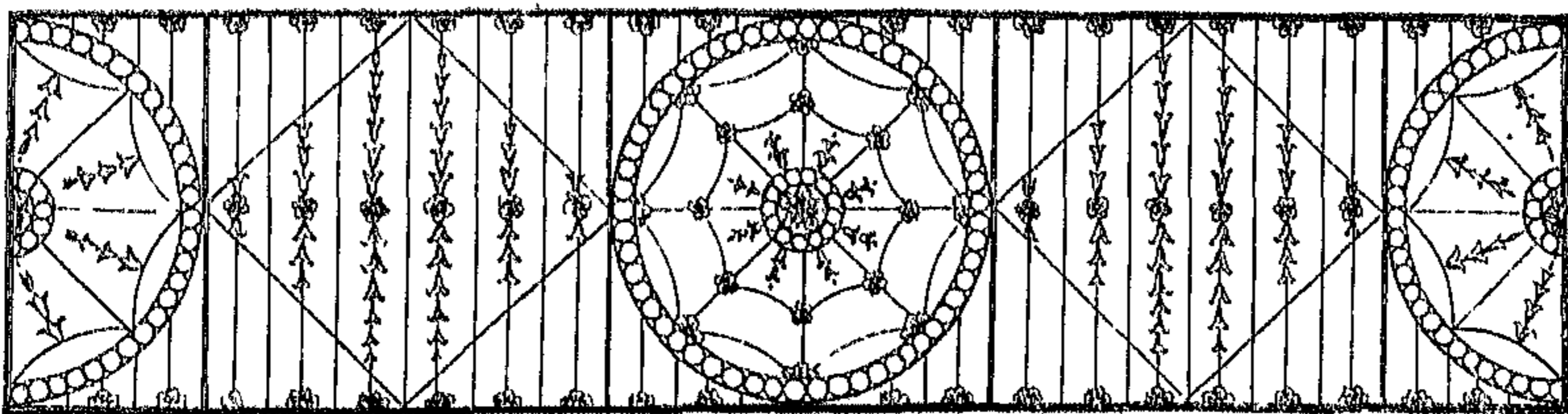
Guard Irons for Windows.







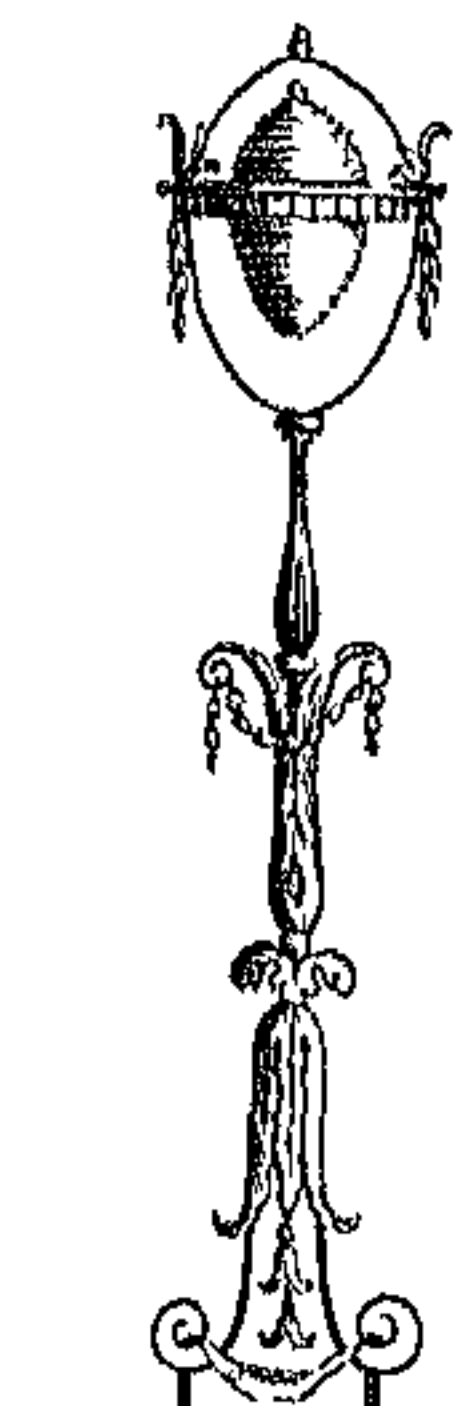
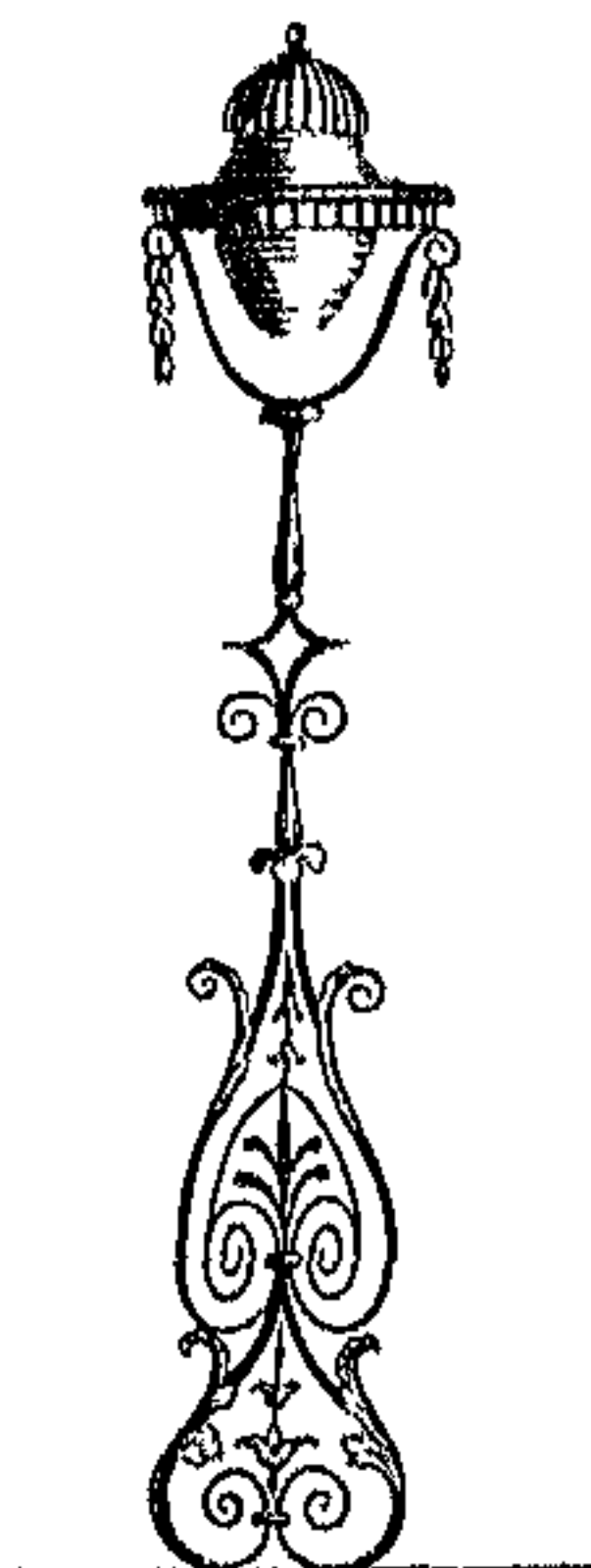
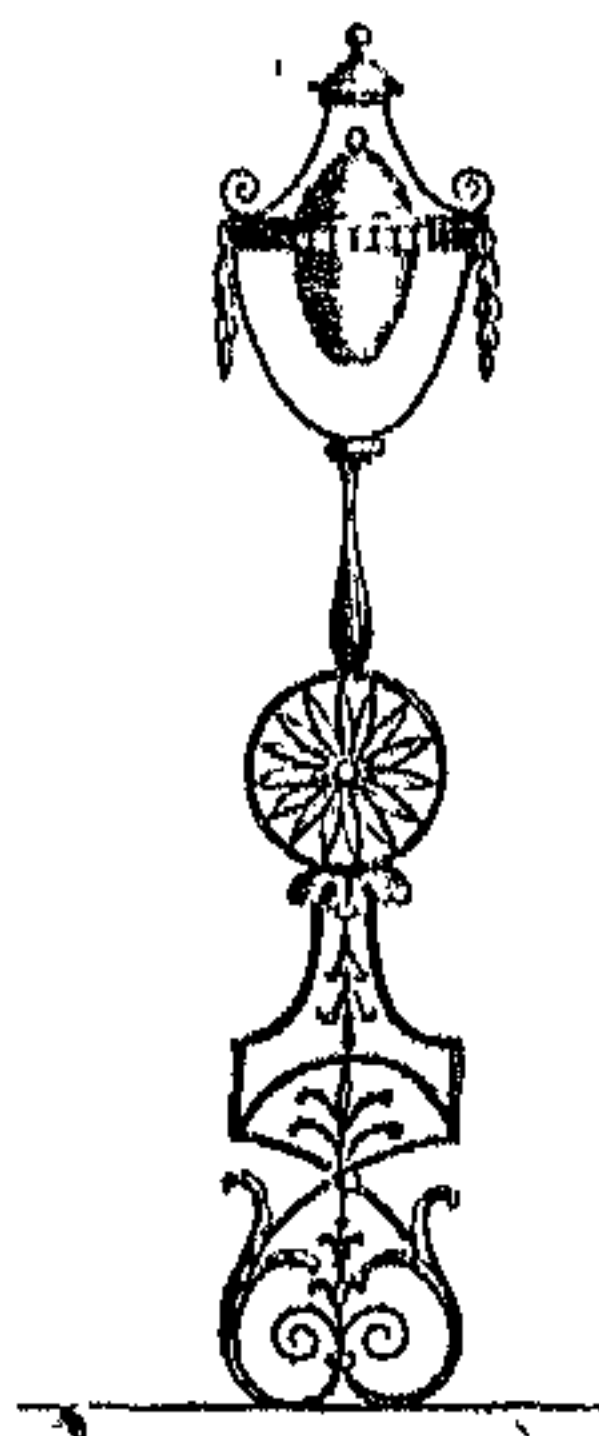
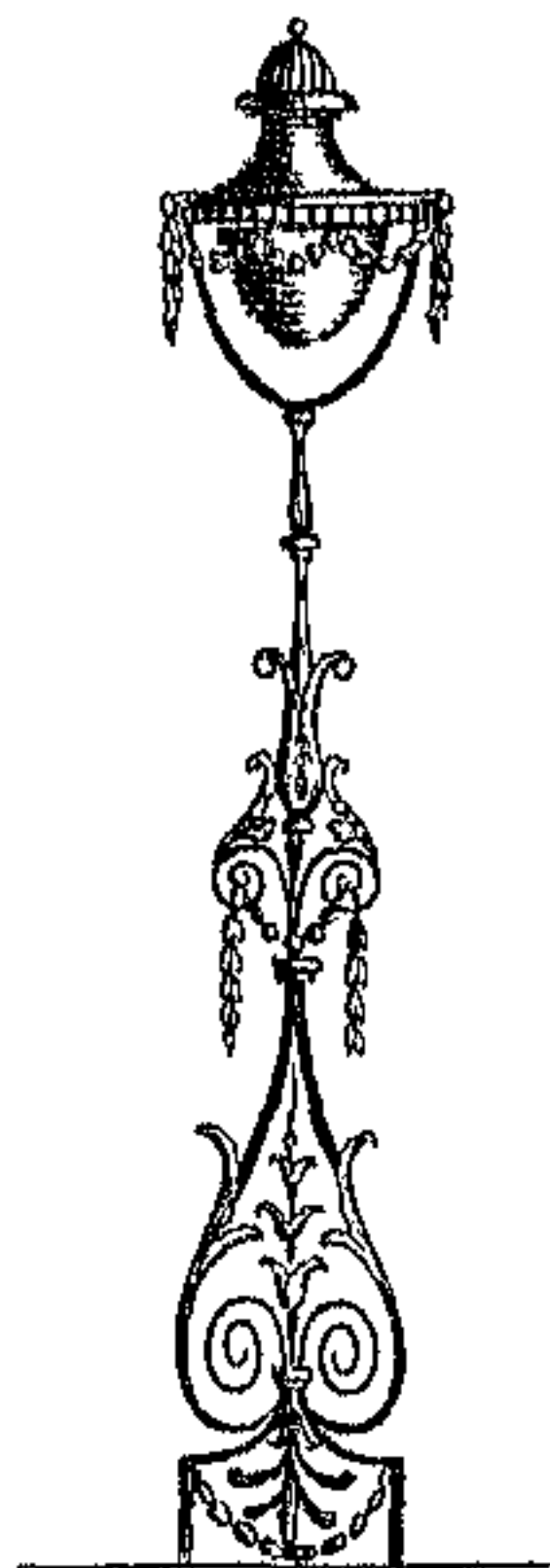
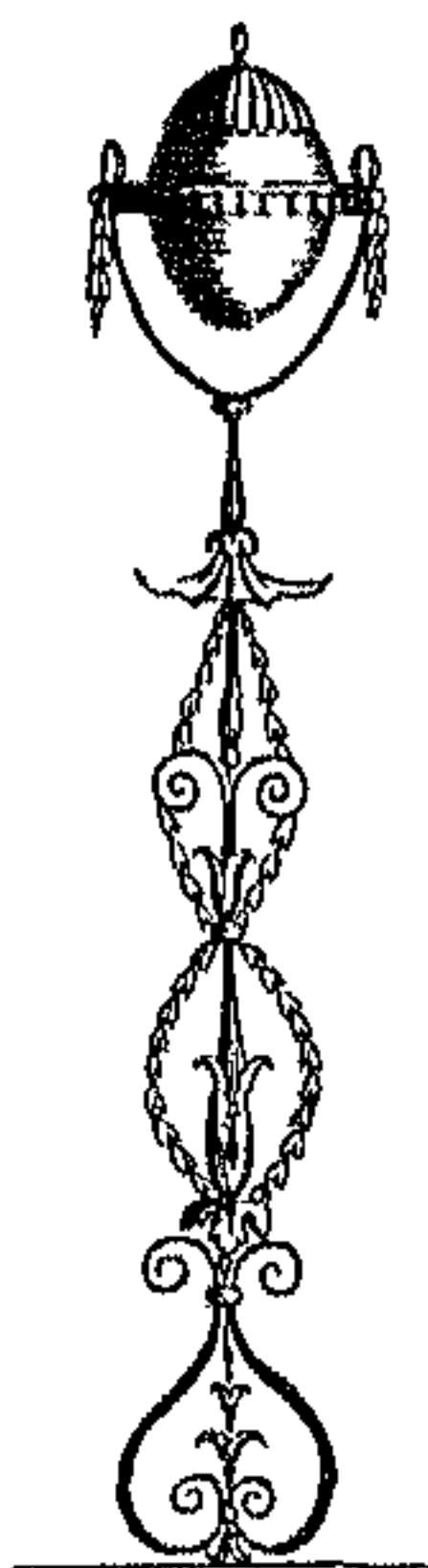
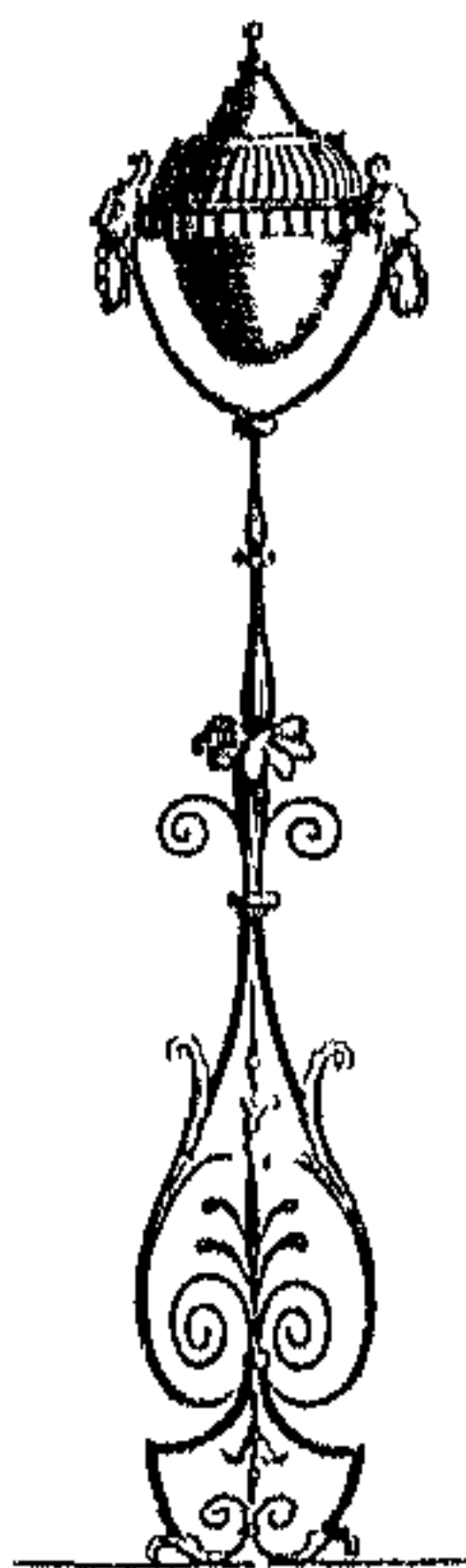
Continued Guard & Truss for Windows.



IMPERIAL
& CO.

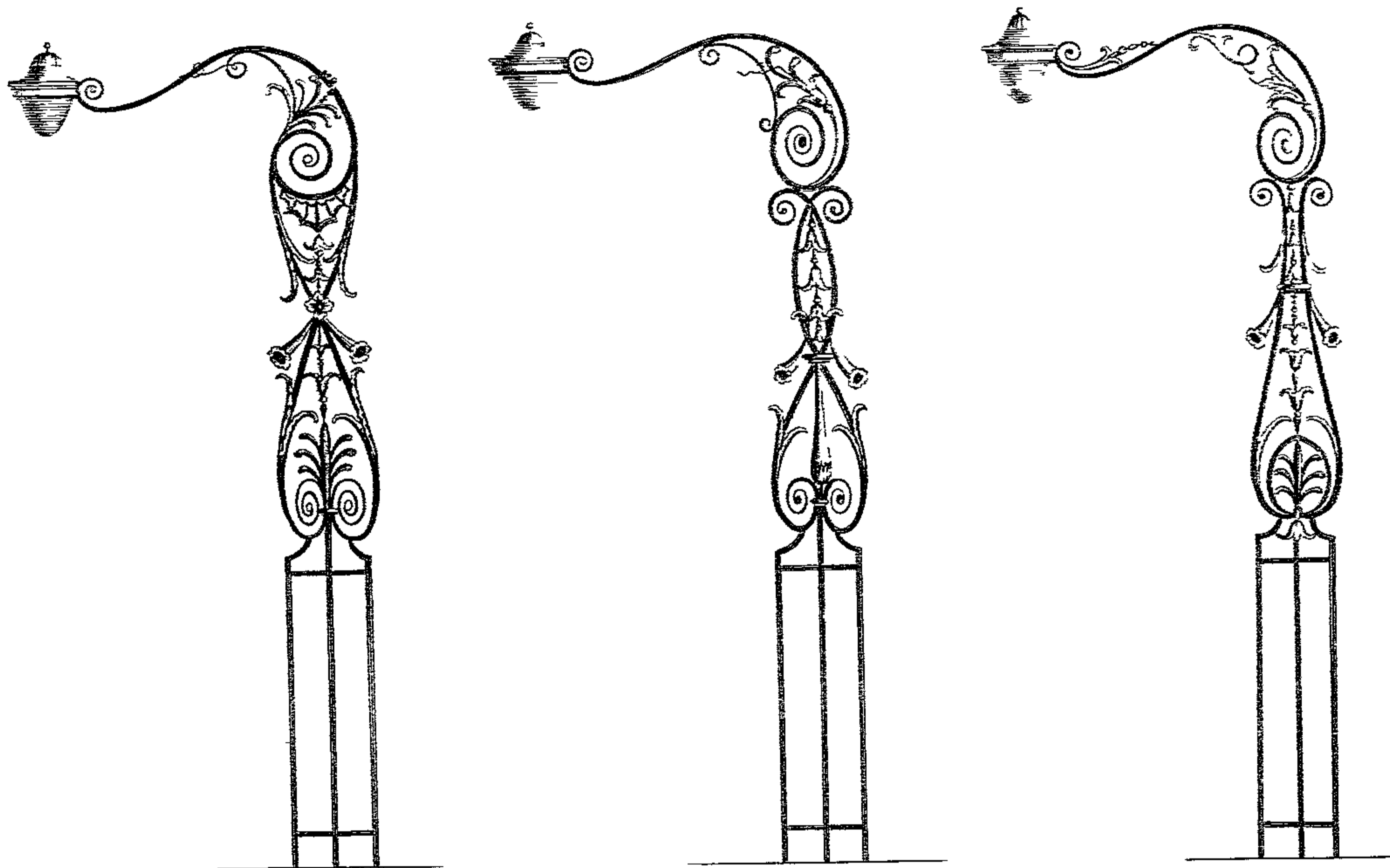
Lamps & Irons.

Plate 12

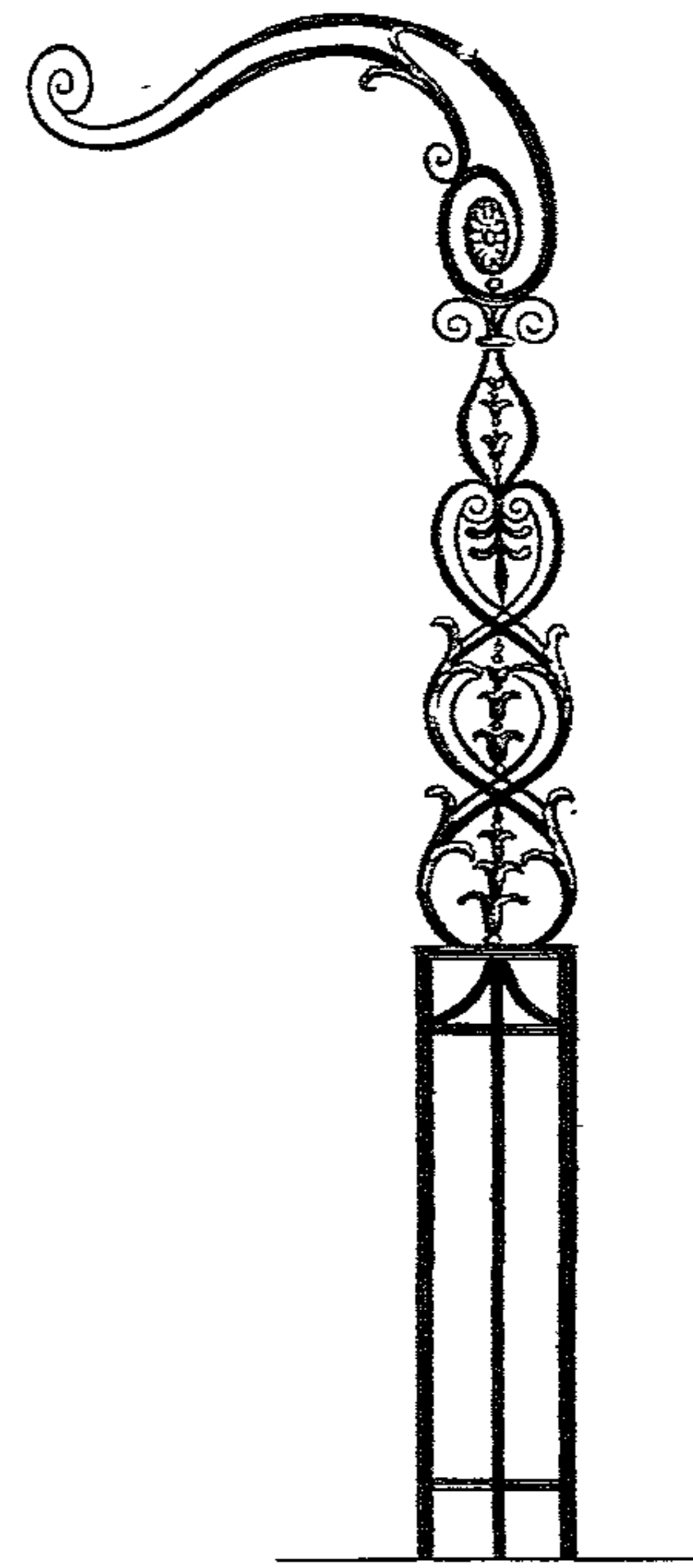
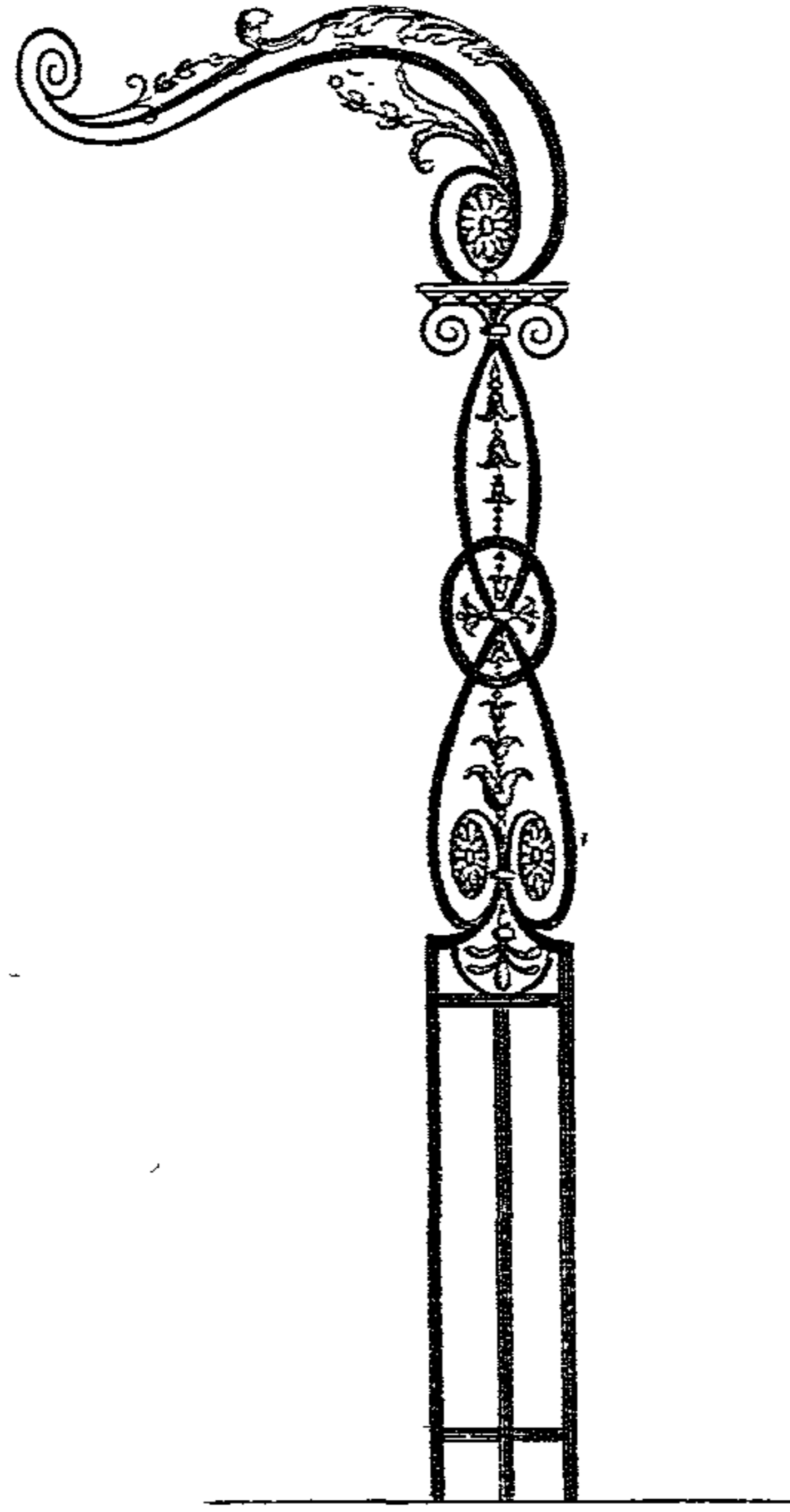
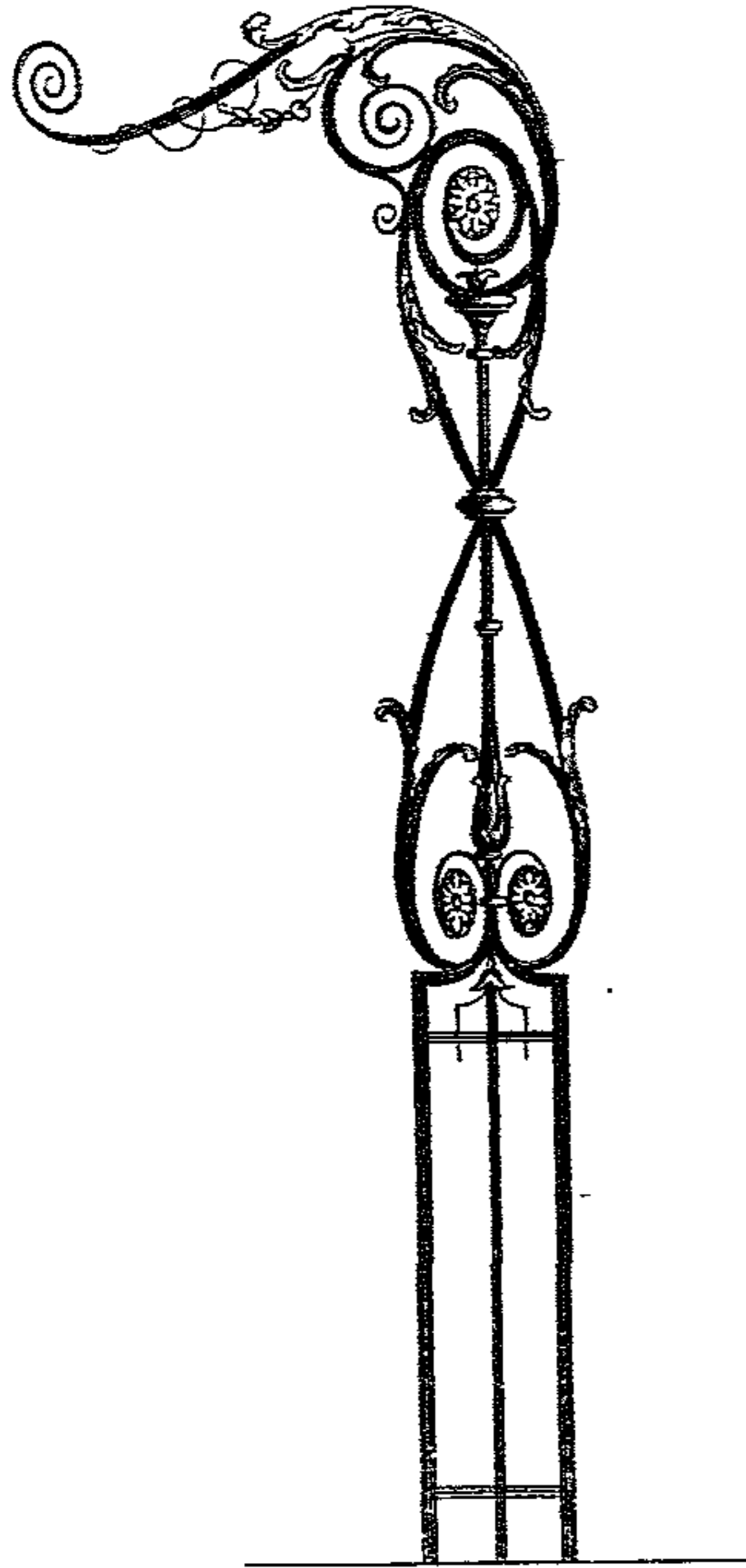


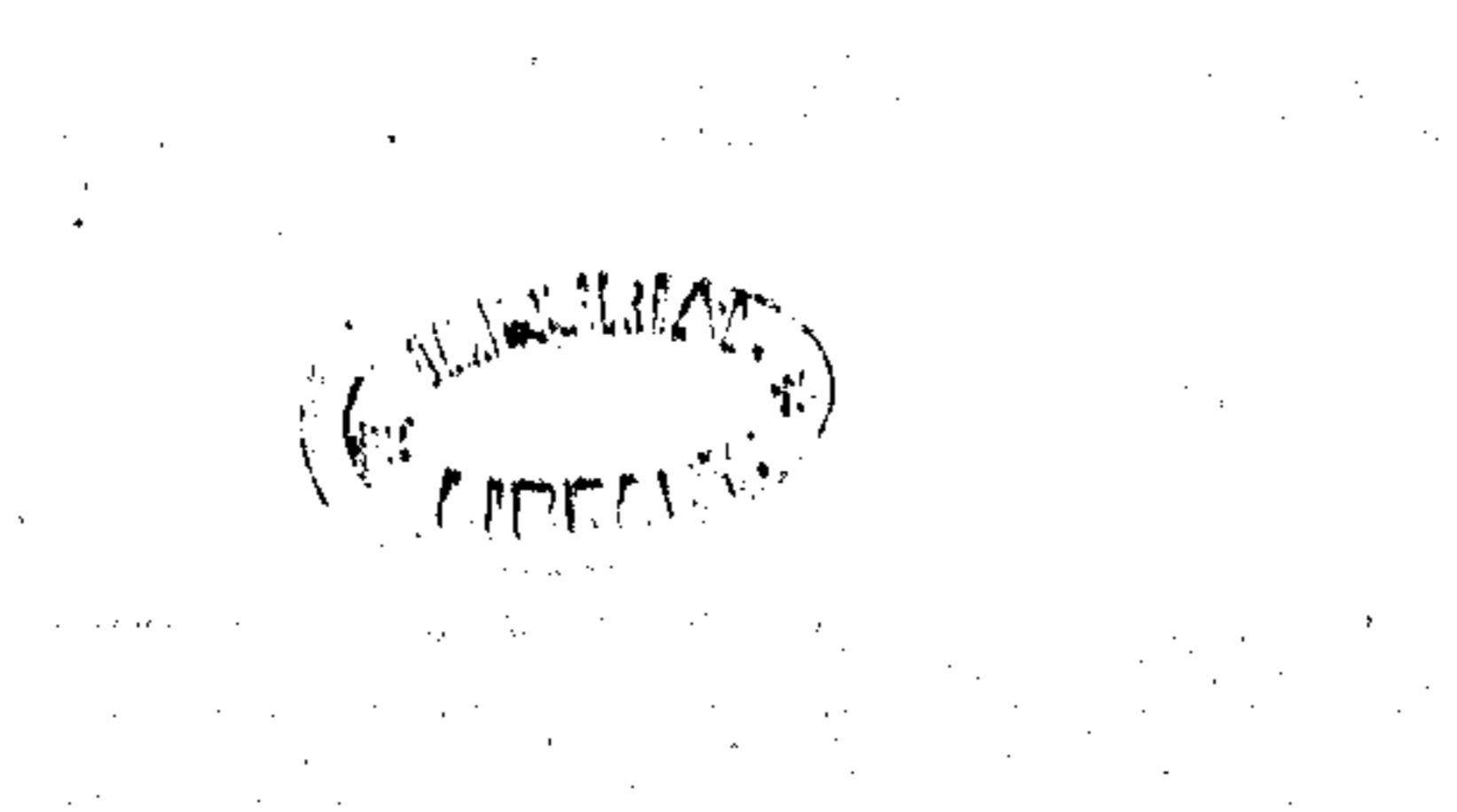


Lamp Irons







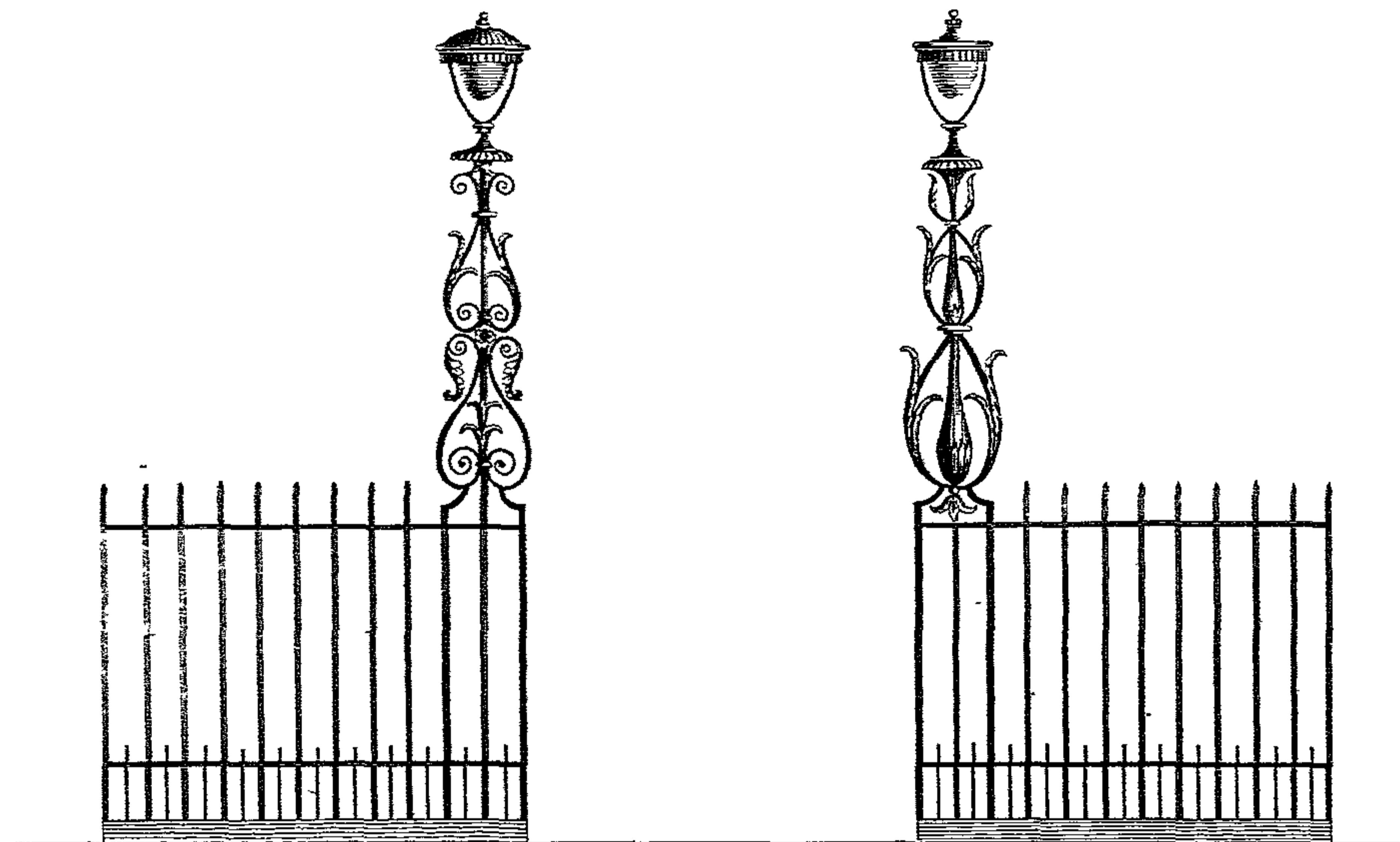


Lamp Irons.



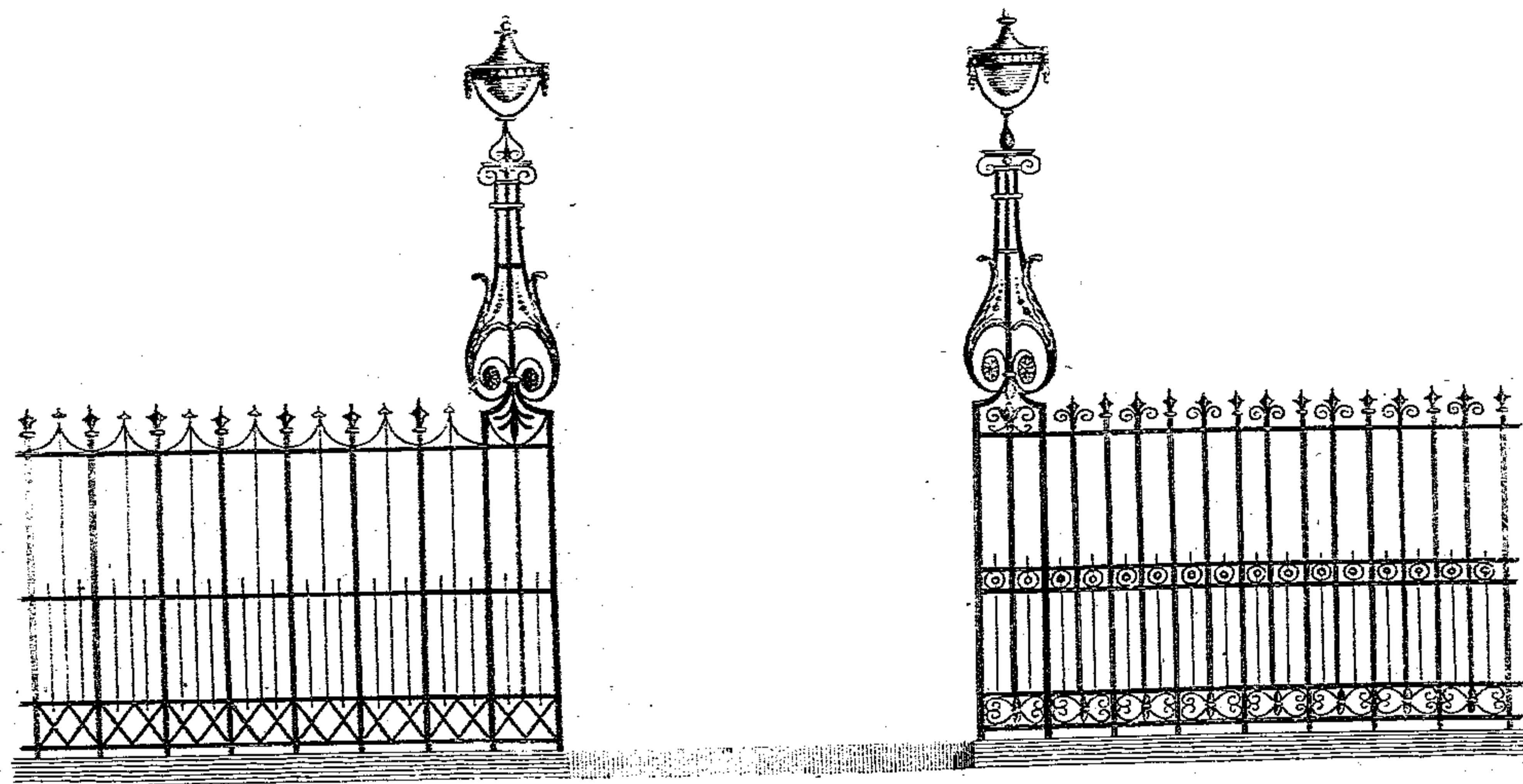
(1921.11.27)

Palisades and Lamp Irons.



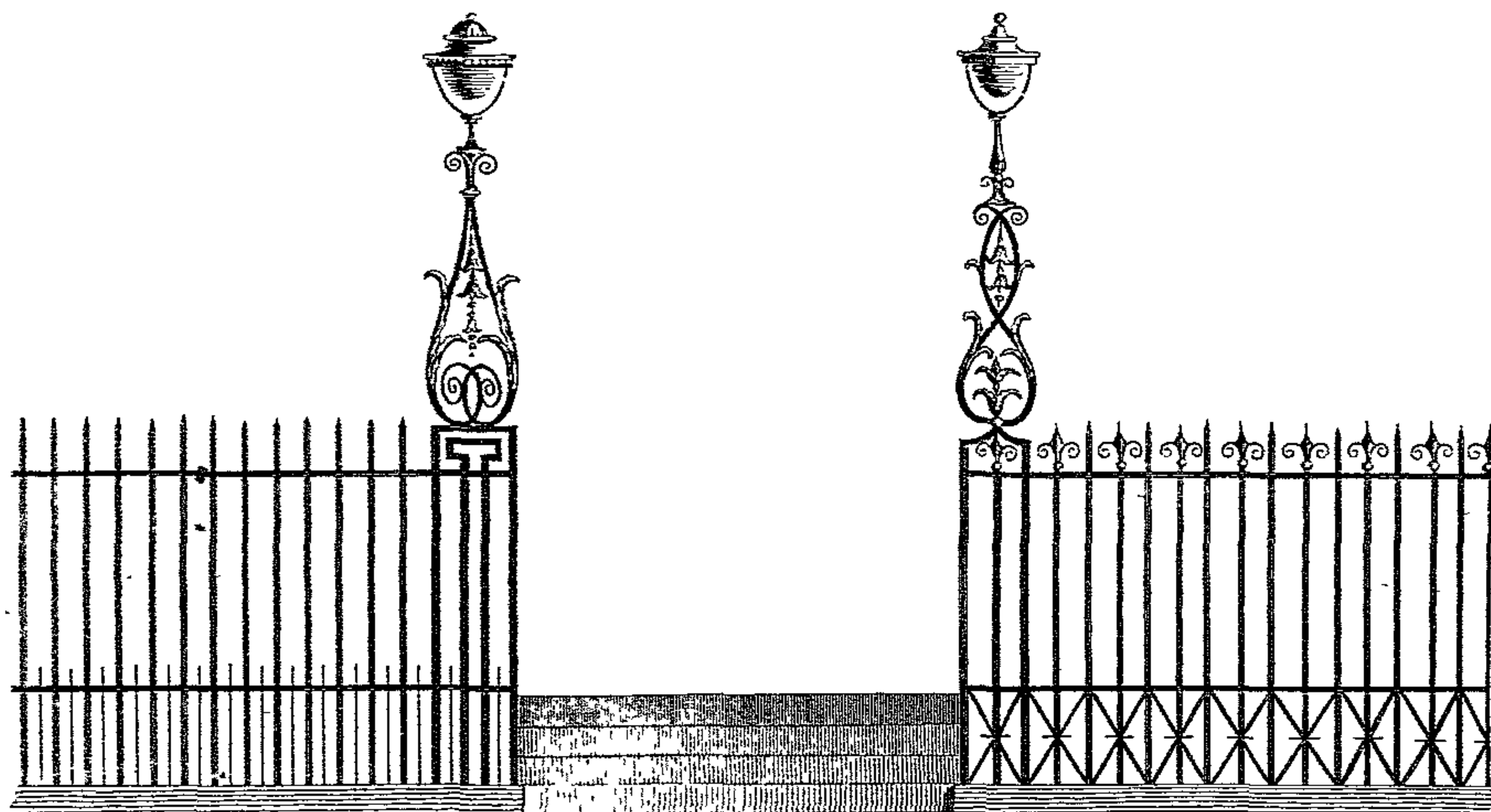
1. 11. 1971
1. 11. 1971

Palisades and Lamp Irons.



7. SUPERINTENDENT
'INVESTIGATION'

Palisades and Lamp Irons.



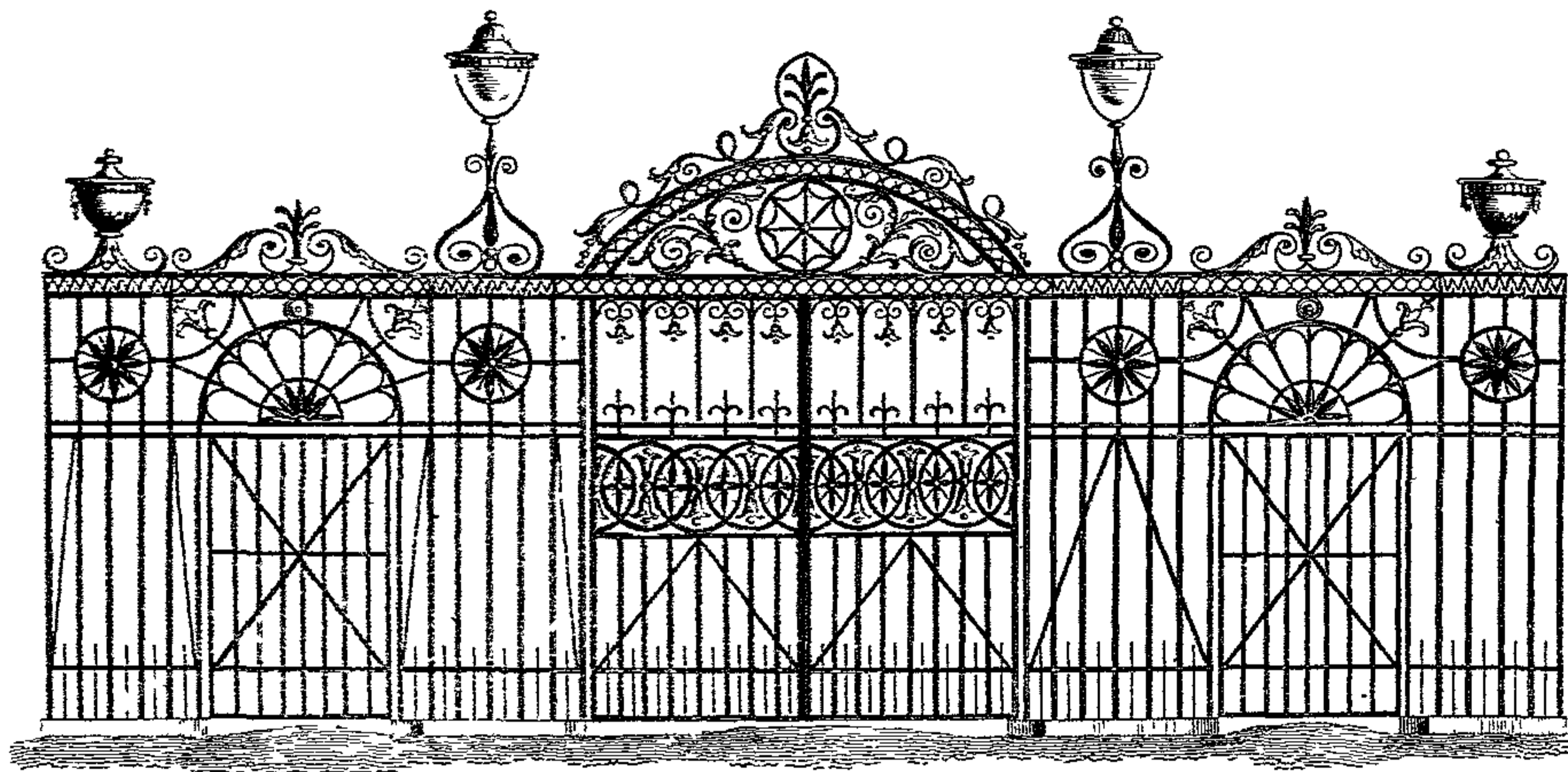


Design for a Gate & Palisades, with Stone Piers.





Design for a Gate for the Entrance to a Park, &c.





Design for a Gate for the Entrance to a Court Yard, &c.

